



# BNP PARIBAS

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

*(incorporated in The Netherlands)*

*(as Issuer)*

## **BNP Paribas**

*(incorporated in France)*

*(as Guarantor)*

## **Warrant and Certificate Programme**

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**BNP PARIBAS**

**BNP Paribas Issuance B.V.**

*(incorporated in The Netherlands)*

*(as Issuer)*

**BNP Paribas**

*(incorporated in France)*

*(as Issuer and Guarantor)*

**Warrant and Certificate Programme**

This document (the "**Base Prospectus**") constitutes a base prospectus in respect of the Programme (as defined below). Any Securities (as defined below) issued on or after the date of this Base Prospectus are issued subject to the provisions herein. This does not affect any Securities issued before the date of this Base Prospectus. This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") (as amended or superseded) and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the "**EEA**").

This Base Prospectus supersedes and replaces the Base Prospectus dated 4 July 2018 and any supplement thereto.

Application has been made to the Authority for the Financial Markets ("**AFM**") in the Netherlands for approval of this Base Prospectus in its capacity as competent authority. Upon such approval, application may be made for securities issued under the Programme during a period of 12 months from the date of this Base Prospectus to be listed and/or admitted to trading on Euronext Paris and/or a Regulated Market (as defined below) in another Member State of the EEA. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (each such regulated market being a "**Regulated Market**"). Reference in this Base Prospectus to Securities being "listed" (and all related references) shall mean that such Securities have been admitted to trading on Euronext Paris or, as the case may be, a Regulated Market or on such other or further stock exchange(s) as the relevant Issuer may decide. Each Issuer may also issue unlisted Securities. The applicable Final Terms (as defined below) will specify whether or not Securities are to be listed and admitted to trading and, if so, the relevant Regulated Market.

The requirement to publish a prospectus under the Prospectus Directive only applies to Securities which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)).

Each Issuer may issue Securities for which no prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**") under this Base Prospectus. See "*Exempt Securities*" in the "*General Description of the Programme and Payout Methodology*" section below. The AFM has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Securities.

Under the terms of the Warrant and Certificate Programme (the "**Programme**"), each of BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNP Paribas ("**BNPP**") (the "**Issuers**" and each an "**Issuer**") may from time to time issue warrants ("**Warrants**") and certificates ("**Certificates**") and, together with the Warrants, the "**Securities**") of any kind including, but not limited to, Securities relating to a specified index or a basket of indices, a specified share (including two or more shares which are attached to each other so that they trade as a single unit ("**Stapled Shares**")), global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**") or a basket of shares (including Stapled Shares), ADRs and/or GDRs, a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "**exchange traded instrument**") or a basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index, a basket of commodities and/or commodity indices, a specified currency or a basket of currencies, a specified futures contract or basket of futures contracts, open end Certificates ("**Open End Certificates**") and open end turbo Certificates ("**OET Certificates**") and any other types of Securities including hybrid Securities whereby the underlying asset(s) may be any combination of such indices, shares, interests in exchange traded instruments, commodities, currencies or futures contracts. Each issue of Securities will be issued on the terms set out herein which are relevant to such Securities under "*Terms and Conditions of the Securities*" in respect of the Securities (the "**Conditions**" or the "**Conditions**"). Notice of, *inter alia*, the specific designation of the Securities, the aggregate nominal amount or number and type of the Securities, the date of issue of the Securities, the issue price, the underlying asset, index, fund, reference entity or other item(s) to which the Securities relate, the exercise period or date (in the case of Warrants), the redemption date (in the case of Certificates), whether they are redeemable in instalments (in the case of Certificates), exercisable (on one or more exercise dates) (in the case of Certificates) and certain other terms relating to the offering and sale of the Securities will be set out in a final terms document (the "**Final Terms**") which may be issued for more than one series of Securities and will be filed with the AFM. It is specified that interest bearing Securities may only be issued as Exempt Securities.

Securities are governed by French law. Securities issued by BNPP B.V. are unsecured and will be guaranteed by BNP Paribas (in such capacity, the "**Guarantor**") pursuant to a *garantie*, (the "**Guarantee**"), the form of which is set out herein. Each of BNPP B.V. and BNPP has a right of substitution as set out herein.

Each issue of Securities will entitle the holder thereof on due exercise (in the case of Warrants) or on the Instalment Date(s) and/or the Redemption Date (in the case of Certificates) (or, in the case of Multiple Exercise Certificates, each Exercise Settlement Date) either to

receive a cash amount (if any) calculated in accordance with the relevant terms or to receive physical delivery of the underlying assets (against payment of a specified sum in the case of Warrants), all as set forth herein and in the applicable Final Terms.

Capitalised terms used in this Base Prospectus shall, unless otherwise defined, have the meanings set forth in the Conditions.

**Prospective purchasers of Securities should ensure that they understand the nature of the relevant Securities and the extent of their exposure to risks and that they consider the suitability of the relevant Securities as an investment in the light of their own circumstances and financial condition. Securities involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of their Securities. See "Risks" on pages 67 to 118.**

**In particular, the Securities and the Guarantee have not been or will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and trading in the Securities has not been authorised by the United States Commodity Futures Trading Commission (the "CFTC") under the U.S. Commodity Exchange Act (the "CEA"). Under U.S. law, neither the Securities, nor any rights over them, may at any time be offered, sold, resold, traded or delivered directly or indirectly in the United States or to, or on behalf of or for the benefit of, U.S. Persons (as defined herein) and any offer, sale, resale, trading or delivery carried out directly or indirectly in the United States, or to, or on behalf of or for the benefit of, U.S. Persons, will be null and void. For a description of certain further restrictions on the offering and sale of the Securities and on the distribution of the Base Prospectus, see the section below entitled "*Offering and Sale*".**

The Issuers have requested the AFM to provide the competent authorities in Belgium, Denmark, Finland, France, Luxembourg, Norway, Spain and Sweden with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Financial Supervision Act (*Wet op het financieel toezicht*) which implements the Prospectus Directive.

Securities may be issued in dematerialised bearer form (*au porteur*), recorded in the books of Euroclear France, a subsidiary of Euroclear Bank S.A./N.V. ("**Euroclear France**") (acting as central depository) which will credit the accounts of the Account Holders (as defined in the Terms and Conditions below including Euroclear Bank S.A./N.V. and the depository bank for Clearstream Banking, société anonyme ("**Clearstream Banking Luxembourg**"). Securities may also be issued in bearer form (*au porteur*) recorded in the books of (i) Euroclear Netherlands, a subsidiary of Euroclear Bank S.A./N.V. ("**Euroclear Netherlands**"), (ii) Euroclear Sweden AB, a subsidiary of Euroclear Bank S.A./N.V. ("**Euroclear Sweden**"), (iii) Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("**Iberclear**"), or (iv) Clearstream Banking AG, Frankfurt ("**Clearstream Banking Frankfurt**").

BNPP's long-term credit ratings are A+ with a stable outlook (S&P Global Ratings Europe Limited ("**Standard & Poor's**")), Aa3 with a stable outlook (Moody's Investors Service Ltd. ("**Moody's**")), AA- with a stable outlook (Fitch France S.A.S. ("**Fitch France**")) and AA (low) with a stable outlook (DBRS Limited ("**DBRS**")) and BNPP's short-term credit ratings are A-1 (Standard & Poor's), P-1 (Moody's), F1+ (Fitch France) and R-1 (middle) (DBRS). BNPP B.V.'s long-term credit ratings are A+ with a stable outlook (Standard & Poor's) and BNPP B.V.'s short term credit ratings are A-1 (Standard & Poor's). Each of Standard & Poor's, Moody's, Fitch France and DBRS is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Standard & Poor's, Moody's, Fitch France and DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation. Securities issued under the Programme may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Please also refer to "Credit Ratings may not Reflect all Risks" in the Risks section of this Base Prospectus.

This Base Prospectus (together with supplements to this Base Prospectus from time to time (each a "**Supplement**" and together the "**Supplements**") comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") (as amended or superseded and includes any relevant implementing measure in a relevant Member State of the European Economic Area). In relation to each separate issue of Securities, the final offer price and the amount of such Securities will be determined by the relevant Issuer and the relevant manager in accordance with prevailing market conditions at the time of the issue of the Securities and will be set out in the relevant Final Terms.

In accordance with Article 16.2 of the Prospectus Directive, investors who have already agreed to purchase or subscribe for Securities before this Base Prospectus is published have the right, exercisable within two (2) working days after the publication of this Base Prospectus, to withdraw their acceptances. Investors should be aware, however, that the law of the jurisdiction in which they have accepted an offer of Securities may provide for a longer time limit.

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

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

Warrants create options exercisable by the relevant holder or which will be automatically exercised as provided herein. There is no obligation on the relevant Issuer to pay any amount or deliver any asset to any holder of a Warrant unless the relevant holder duly exercises such Warrant or such Warrants are automatically exercised and, where applicable, an Exercise Notice is duly delivered. The Warrants will be exercisable in the manner set forth herein and in the applicable Final Terms. In certain instances, the holder of a Warrant will be required to certify, *inter alia* (in accordance with the provisions outlined in Condition 22 of "*Terms and Conditions of the Securities*" below), that it is not a U.S. person or exercising such Warrant on behalf of a U.S. person (as defined in Regulation S). Certificates shall be redeemed on each instalment date and/or the redemption date by payment of one or more Cash Settlement Amount(s) (in the case of Cash Settled Securities) and/or by delivery of the Entitlement (in the case of Physical Delivery Securities). In order to receive the Entitlement, the holder of a Security will be required to submit an Asset Transfer Notice and in certain circumstances to certify, *inter alia* (in accordance with the provisions outlined in Condition 30.2(a) of "*Terms and Conditions of the Securities*" in the case of Certificates), that it is not a U.S. person or acting on behalf of a U.S. person.

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

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

**Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the SFA)** – Unless otherwise specified in the applicable Final Terms

in respect of any Securities, all Securities issued or to be issued under the Programme shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**IMPORTANT - EEA RETAIL INVESTORS** – If the Final Terms in respect of any Securities specify the "Prohibition of Sales to EEA Retail Investors – Legend" as applicable, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**") other than in the jurisdiction(s) for which a key information document will be made available. If the Final Terms in respect of any Securities specify the "Prohibition of Sales to EEA Retail Investors – Legend" as not applicable, the Securities may be offered, sold or otherwise made available to any retail investor in the EEA, provided that, where a key information document is required pursuant to the PRIIPs Regulation (as defined below), the Securities may only be offered, sold or otherwise made available to retail investors in the EEA in the jurisdiction(s) for which a key information document will be made available. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**" or "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared, other than in respect of the jurisdiction(s) for which a key information document will be made available, and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Amounts payable under the Securities may be calculated by reference to one or more "benchmarks" for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmarks Regulation**"). In this case, a statement will be included in the applicable Final Terms as to whether or not the relevant administrator of the "benchmark" is included in ESMA's register of administrators under Article 36 of the Benchmarks Regulation. Certain "benchmarks" may either (i) not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of that regulation or (ii) transitional provisions in Article 51 of the Benchmarks Regulation may apply to certain other "benchmarks" which would otherwise be in scope such that at the date of the relevant Final Terms, the administrator of the "benchmark" is not required to be included in the register of administrators.

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

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

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

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

## FORWARD-LOOKING STATEMENTS

The BNPP 2018 Registration Document (in English) and the BNPP 2017 Registration Document (in English) (as defined in the "Documents Incorporated by Reference" section below) and the other documents incorporated by reference (such sections being the "**BNP Paribas Disclosure**") contain forward-looking statements. BNP Paribas, BNPP B.V. and the BNP Paribas Group (being BNP Paribas together with its consolidated subsidiaries, the "**Group**") may also make forward-looking statements in their offering circulars, in press releases and other written materials and in oral statements made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about BNPP, BNPP B.V. or the Group's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and BNPP, BNPP B.V., and the Group undertake no obligation to update publicly any of them in light of new information or future events.

## **PRESENTATION OF FINANCIAL INFORMATION**

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

The audited consolidated financial statements of BNPP for the years ended 31 December 2017 and 31 December 2018 have been prepared in accordance with international financial reporting standards ("**IFRS**"), as adopted by the European Union. In making an investment decision, investors must rely upon their own examination of the BNP Paribas Group, the terms of any offering and the financial information. The Group's fiscal year ends on 31 December and references in each registration document incorporated by reference (including any update to any registration document) herein to any specific fiscal year are to the 12-month period ended 31 December of such year. Due to rounding, the numbers presented throughout the BNP Paribas Disclosure and in the table under the heading "Capitalisation of BNPP and the BNP Paribas Group" in the General Information section below may not add up precisely, and percentages may not reflect precisely absolute figures.



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## SUMMARY IN RELATION TO THIS BASE PROSPECTUS

*Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for this type of Securities, Issuer and Guarantor. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of Securities, Issuer and Guarantor, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.*

### Section A - Introduction and warnings

Element	Title	
A.1	Warning that the summary should be read as an introduction and provision as to claims	<ul style="list-style-type: none"> <li>• This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. In this summary, unless otherwise specified and except as used in the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BNPP dated 3 July 2019 as supplemented from time to time. In the first paragraph of Element D.3, "Base Prospectus" means the Base Prospectus of BNPP B.V. and BNPP dated 3 July 2019.</li> <li>• Any decision to invest in any Securities should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</li> <li>• Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</li> <li>• Civil liability in any such Member State attaches to the Issuer or the Guarantor (if any) solely on the basis of this summary, including any translation hereof, but only if it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Securities.</li> </ul>
A.2	Consent as to use the Base	Certain issues of Securities with an issue price or Notional Amount of less than EUR100,000 (or its equivalent in any other currency) may be offered in

Element	Title	
	Prospectus, period of validity and other conditions attached	<p>circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "<b>Non-exempt Offer</b>".</p> <p><b>Issue Specific Summary</b></p> <p>[Not applicable, the Securities are not being offered to the public as part of a Non-exempt Offer.]</p> <p>[Consent: The Securities are offered in circumstances where a prospectus is required to be published under the Prospectus Directive (a "<b>Non-exempt Offer</b>"). Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Non-exempt Offer of Securities by the Managers[, <i>[names of specific financial intermediaries listed in final terms,]</i> [and] [each financial intermediary whose name is published on BNPP's websites (<a href="http://www.produitsdebourse.bnpparibas.fr">www.produitsdebourse.bnpparibas.fr</a>; <a href="http://www.bnpparibasmarkets.be">www.bnpparibasmarkets.be</a> <a href="http://www.educatedtrading.bnpparibas.se">www.educatedtrading.bnpparibas.se</a>, <a href="http://www.bnpparibasmarkets.nl">www.bnpparibasmarkets.nl</a>; <a href="https://www.productoscotizados.com/home/">https://www.productoscotizados.com/home/</a>) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "<b>Securities</b>") described in the Final Terms dated [insert date] (the "<b>Final Terms</b>") published by [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "<b>Issuer</b>"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."</i></p> <p><i>Offer period:</i> The Issuer's consent referred to above is given for Non-exempt Offers of Securities during [<i>offer period for the issue to be specified here</i>] (the "<b>Offer Period</b>").</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period and (b) only extends to the use of the Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in [<i>specify each Relevant Member State in which the particular Tranche of Securities can be offered</i>].</p> <p><b>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY</b></p>

Element	Title	
		<p><b>SECURITIES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER.]</b></p>

## Section B - Issuer and Guarantor

Element	Title	
<b>B.1</b>	Legal and commercial name of the Issuer	<p>Securities may be issued under the Programme by BNP Paribas Issuance B.V. ("<b>BNPP B.V.</b>") or BNP Paribas ("<b>BNPP</b>" or the "<b>Bank</b>") (together the "<b>Issuers</b>" and each an "<b>Issuer</b>").</p> <p><i>Issue Specific Summary</i></p> <p>[Insert where BNPP B.V. is the Issuer: BNP Paribas Issuance B.V. ("<b>BNPP B.V.</b>" or the "<b>Issuer</b>").]</p> <p>[Insert where BNPP is the Issuer: BNP Paribas ("<b>BNPP</b>", the "<b>Bank</b>" or the "<b>Issuer</b>").]</p>
<b>B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	<p><i>In respect of BNPP B.V.:</i></p> <p>BNPP B.V. was incorporated in the Netherlands as a private company with limited liability under Dutch law having its registered office at Herengracht 595, 1017 CE Amsterdam, The Netherlands.</p> <p><i>In respect of BNPP:</i></p> <p>BNPP was incorporated in France as a société anonyme under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.</p> <p><i>Issue Specific Summary</i></p> <p>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</p>
<b>B.4b</b>	Trend information	<p><i>In respect of BNPP B.V.:</i></p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as Warrants or Certificates or other obligations which are developed, setup and sold to investors by other companies in the BNP Paribas Group (including BNPP). The securities are hedged by acquiring hedging instruments and/or collateral from BNP Paribas and BNP Paribas entities as described in Element D.2 below. As a consequence, the Trend Information described with respect to BNPP shall also apply to BNPP B.V.</p> <p><i>In respect of BNPP:</i></p> <p><i>Macroeconomic environment.</i></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market</p>

Element	Title	
		<p>conditions in Europe.</p> <p>In 2018, global growth remained healthy at around 3.7% (according to the IMF), reflecting a stabilised growth rate in advanced economies (+2.4% after +2.3% in 2017) and in emerging economies (+4.6% after +4.7% in 2017). Since the economy was at the peak of its cycle in large developed countries, central banks continued to tighten accommodating monetary policy or planned to taper it. With inflation levels still moderate, however, central banks were able to manage this transition gradually, thereby limiting the risks of a marked downturn in economic activity. Thus, the IMF expects the global growth rate experienced over the last two years to continue in 2019 (+3.5%) despite the slight slowdown expected in advanced economies.</p> <p>In this context, the following two risk categories can be identified:</p> <p><i>Risks of financial instability due to the conduct of monetary policies</i></p> <p>Two risks should be emphasised: a sharp increase in interest rates and the current very accommodating monetary policy being maintained for too long.</p> <p>On the one hand, the continued tightening of monetary policy in the United States (which started in 2015) and the less-accommodating monetary policy in the euro zone (reduction in assets purchases started in January 2018, with an end in December 2018) involve risks of financial turbulence and economic slowdown more pronounced than expected. The risk of an inadequately controlled rise in long-term interest rates may in particular be emphasised, under the scenario of an unexpected increase in inflation or an unanticipated tightening of monetary policies. If this risk materialises, it could have negative consequences on the asset markets, particularly those for which risk premiums are extremely low compared to their historic average, following a decade of accommodating monetary policies (credit to non-investment grade corporates or countries, certain sectors of the equity and bond markets, etc.) as well as on certain interest rate-sensitive sectors.</p> <p>On the other hand, despite the upturn since mid-2016, interest rates remain low, which may encourage excessive risk-taking among some financial market participants: lengthening maturities of financings and assets held, less stringent credit policy, and an increase in leveraged financings. Some of these participants (insurance companies, pension funds, asset managers, etc.) have an increasingly systemic dimension and in the event of market turbulence (linked for example to a sharp rise in interest rates and/or a sharp price correction) they could be brought to unwind large positions in a relatively weak market liquidity.</p> <p><i>Systemic risks related to increased debt</i></p> <p>Macro-economically, the impact of an interest rate increase could be significant for countries with high public and/or private debt-to-GDP. This is particularly the case for certain European countries (in particular Greece, Italy, and Portugal), which are posting public debt-to-GDP ratios often above</p>

Element	Title	
		<p>100% but also for emerging countries.</p> <p>Between 2008 and 2018, the latter recorded a marked increase in their debt, including foreign currency debt owed to foreign creditors. The private sector was the main source of the increase in this debt, but also the public sector to a lesser extent, particularly in Africa. These countries are particularly vulnerable to the prospect of a tightening in monetary policies in the advanced economies. Capital outflows could weigh on exchange rates, increase the costs of servicing that debt, import inflation, and cause the emerging countries' central banks to tighten their credit conditions. This would bring about a reduction in forecast economic growth, possible downgrades of sovereign ratings, and an increase in risks for the banks. While the exposure of the BNP Paribas Group to emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the Group and potentially alter its results.</p> <p>It should be noted that debt- related risk could materialise, not only in the event of a sharp rise in interest rates, but also with any negative growth shocks.</p> <p><b><i>Laws and regulations applicable to financial institutions.</i></b></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on the Bank notably include:</p> <ul style="list-style-type: none"> <li>– regulations governing capital: the Capital Requirements Directive IV ("CRD 4")/the Capital Requirements Regulation ("CRR"), the international standard for total-loss absorbing capacity ("TLAC") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the structural reforms comprising the French banking law of 26 July 2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks;</li> <li>– the European Single Supervisory Mechanism and the ordinance of 6 November 2014;</li> <li>– the Directive of 16 April 2014 related to deposit guarantee systems and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework, the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>– the Final Rule by the US Federal Reserve imposing tighter prudential</li> </ul>

Element	Title	
		<p>rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the US (capitalised and subject to regulation) to house their US subsidiaries;</p> <ul style="list-style-type: none"> <li>– the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</li> <li>– the new Markets in Financial Instruments Directive ("<b>MiFID II</b>") and Markets in Financial Instruments Regulation ("<b>MiFIR</b>"), and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies;</li> <li>– the General Data Protection Regulation ("<b>GDPR</b>") came into force on 25 May 2018. This regulation aims to move the European data confidentiality environment forward and improve personal data protection within the European Union. Businesses run the risk of severe penalties if they do not comply with the standards set by the GDPR. This Regulation applies to all banks providing services to European citizens; and</li> <li>– the finalisation of Basel 3 published by the Basel committee in December 2017, introducing a revision to the measurement of credit risk, operational risk and credit valuation adjustment ("<b>CVA</b>") risk for the calculation of risk-weighted assets. These measures are expected to come into effect in January 2022 and will be subject to an output floor (based on standardised approaches), which will be gradually applied as of 2022 and reach its final level in 2027.</li> </ul> <p>Moreover, in this tougher regulatory context, the risk of non-compliance with existing laws and regulations, in particular those relating to the protection of the interests of customers and personal data, is a significant risk for the banking industry, potentially resulting in significant losses and fines. In addition to its compliance system, which specifically covers this type of risk, the Group places the interest of its customers, and more broadly that of its stakeholders, at the heart of its values. Thus, the code of conduct adopted by the Group in 2016 sets out detailed values and rules of conduct in this area.</p> <p><b><i>Cyber security and technology risk</i></b></p> <p>BNPP's ability to do business is intrinsically tied to the fluidity of electronic</p>



Element	Title	
		<p>transactions as well as the protection and security of information and technology assets.</p> <p>The technological change is accelerating with the digital transformation and the resulting increase in the number of communications circuits, proliferation in data sources, growing process automation, and greater use of electronic banking transactions.</p> <p>The progress and acceleration of technological change are giving cybercriminals new options for altering, stealing, and disclosing data. The number of attacks is increasing, with a greater reach and sophistication in all sectors, including financial services.</p> <p>The outsourcing of a growing number of processes also exposes the Group to structural cyber security and technology risks leading to the appearance of potential attack vectors that cybercriminals can exploit.</p> <p>Accordingly, the Group has a second line of defence within the Risk Function dedicated to managing technological and cyber security risks. Thus, operational standards are regularly adapted to support BNPP's digital evolution and innovation while managing existing and emerging threats (such as cyber-crime, espionage, etc.).</p> <p><b>Issue Specific Summary</b></p> <p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</i></p>
<b>B.5</b>	Description of the Group	<p><b>In respect of BNPP B.V.:</b></p> <p>BNPP B.V. is a wholly owned subsidiary of BNPP. BNP Paribas is the ultimate holding company of a group of companies and manages financial operations for those subsidiary companies (together the "<b>BNPP Group</b>").</p> <p><b>In respect of BNPP:</b></p> <p>BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in France, Belgium, Italy and Luxembourg. It is present in 72 countries and has more than 202,000 employees, including over 154,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "<b>BNPP Group</b>"). BNPP B.V is a wholly owned subsidiary of BNPP.</p> <p><b>Issue Specific Summary</b></p> <p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</i></p>

Element	Title																																															
B.9	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Issuer in the Base Prospectus to which this Summary relates.																																														
B.10	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.  <i>Issue Specific Summary</i>  [Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.][The audit report on the historical financial information included in the Base Prospectus contains the following qualification(s): [describe qualification(s)]]																																														
B.12	<div>Selected historical key financial information in relation to the Issuer:</div> <div><i>In relation to BNPP B.V.:</i></div> <div>Comparative Annual Financial Data – In EUR</div> <table><tr><td></td><td>31/12/2018</td><td>31/12/2017</td></tr><tr><td></td><td>(audited)</td><td>(audited)</td></tr><tr><td>Revenues</td><td>439,645</td><td>431,472</td></tr><tr><td>Net income, Group share</td><td>27,415</td><td>26,940</td></tr><tr><td>Total balance sheet</td><td>56,232,644,939</td><td>50,839,146,900</td></tr><tr><td>Shareholders' equity (Group share)</td><td>542,654</td><td>515,239</td></tr></table> <div><i>In relation to BNPP:</i></div> <div>Comparative Annual Financial Data – In millions of EUR</div> <table><tr><td></td><td>31/12/2018*</td><td>31/12/2017</td></tr><tr><td></td><td>(audited)</td><td>(audited)</td></tr><tr><td>Revenues</td><td>42,516</td><td>43,161</td></tr><tr><td>Cost of Risk</td><td>(2,764)</td><td>(2,907)</td></tr><tr><td>Net income, Group share</td><td>7,526</td><td>7,759</td></tr><tr><td></td><td>31/12/2018</td><td>31/12/2017</td></tr><tr><td>Common Equity Tier 1 ratio (Basel 3 fully loaded, CRD4)</td><td>11.8%</td><td>11.8%</td></tr><tr><td></td><td>31/12/2018*</td><td>31/12/2017</td></tr><tr><td></td><td>(audited)</td><td>(audited)</td></tr></table>				31/12/2018	31/12/2017		(audited)	(audited)	Revenues	439,645	431,472	Net income, Group share	27,415	26,940	Total balance sheet	56,232,644,939	50,839,146,900	Shareholders' equity (Group share)	542,654	515,239		31/12/2018*	31/12/2017		(audited)	(audited)	Revenues	42,516	43,161	Cost of Risk	(2,764)	(2,907)	Net income, Group share	7,526	7,759		31/12/2018	31/12/2017	Common Equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.8%	11.8%		31/12/2018*	31/12/2017		(audited)	(audited)
	31/12/2018	31/12/2017																																														
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	(audited)	(audited)																																														

Element	Title		
	Total consolidated balance sheet	2,040,836	1,960,252
	Consolidated loans and receivables due from customers	765,871	727,675
	Consolidated items due to customers	796,548	766,890
	Shareholders' equity (Group share)	101,467	101,983
	<p>* The figures as at 31 December 2018 included here are based on the new IFRS 9 accounting standard. The impacts of the first application of the new IFRS 9 accounting standard were limited and fully taken into account as of 1 January 2018: -1.1 billion euros impact on shareholders' equity not revaluated (2.5 billion euros impact on shareholders' equity revaluated) and ~-10 bp on the fully loaded Basel 3 common equity Tier 1 ratio.</p>		
	<p><b>Comparative Interim Financial Data for the three-month period ended 31 March 2019 – In millions of EUR</b></p>		
		<b>1Q19*</b> <b>(unaudited)</b>	<b>1Q18</b> <b>(unaudited)</b>
	Revenues	11,144	10,798
	Cost of Risk	(769)	(615)
	Net income, Group share	1,918	1,567
		<b>31/03/2019*</b>	<b>31/12/2018</b>
	Common Equity Tier 1 Ratio (Basel 3 fully loaded, CRD4)	11.7%	11.8%
		<b>31/03/2019*</b> <b>(unaudited)</b>	<b>31/12/2018</b> <b>(audited)</b>
	Total consolidated balance sheet	2,284,496	2,040,836
	Consolidated loans and receivables due from customers	783,273	765,871
	Consolidated items due to customers	826,100	796,548
	Shareholders' equity (Group share)	105,339	101,467
	<p>*The figures as at 31 March 2019 are based on the new IFRS 16 accounting standard. The impact as at 1 January 2019 of the first application of the new accounting standard IFRS 16 ("<i>Leasing</i>") was ~-10 bp on the Basel 3 common equity Tier 1 ratio.</p> <p><b><i>Statements of no significant or material adverse change</i></b></p> <p><b><i>In relation to BNPP B.V.:</i></b></p>		

Element	Title	
	<p>There has been no significant change in the financial or trading position of BNPP B.V. since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published).</p> <p><b><i>In relation to BNPP:</i></b></p> <p>There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published).</p> <p><b><i>Issue Specific Summary</i></b></p> <p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</i></p>	
<b>B.13</b>	Events impacting the Issuer's solvency	<p>Not applicable, to the best of the Issuers' knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 31 December 2018 (in the case of BNPP B.V.) or 31 December 2018 (in the case of BNPP).</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[Not applicable, to the best of the Issuer's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since <i>[Insert in the case of BNPP B.V.: 31 December 2018]</i>/<i>[Insert in the case of BNPP: 31 December 2018]</i>].</p> <p><i>[specify any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency].</i></p>
<b>B.14</b>	Dependence upon other group entities	<p><b><i>In relation to BNPP B.V.:</i></b></p> <p>BNPP B.V. is dependent upon BNPP. BNPP B.V. is a wholly owned subsidiary of BNPP specifically involved in the issuance of securities such as Warrants or Certificates or other obligations which are developed, setup and sold to investors by other companies in the BNP Paribas Group (including BNPP). The securities are hedged by acquiring hedging instruments and/or collateral from BNP Paribas and BNP Paribas entities as described in Element D.2 below.</p> <p><b><i>In relation to BNPP:</i></b></p> <p>BNPP is not dependent upon other members of the BNPP Group.</p> <p><b><i>Issue Specific Summary</i></b></p>

Element	Title	
		<p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</i></p>
<b>B.15</b>	Principal activities	<p><b><i>In relation to BNPP B.V.:</i></b></p> <p>The principal activity of BNPP B.V. is to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the BNPP Group.</p> <p><b><i>In relation to BNPP:</i></b></p> <p>BNPP holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services</b>, which includes: <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Financial Services, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Insurance,</li> <li>• Wealth and Asset Management;</li> </ul> </li> </ul> </li> <li>• <b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.</li> </ul> </li> </ul> <p><b><i>Issue Specific Summary</i></b></p> <p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where</i></p>

Element	Title	
		<i>BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</i>
<b>B.16</b>	Controlling shareholders	<p><b><i>In relation to BNPP B.V.:</i></b></p> <p>BNP Paribas holds 100 per cent. of the share capital of BNPP B.V.</p> <p><b><i>In relation to BNPP:</i></b></p> <p>None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2018, the main shareholders were Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a public-interest <i>société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 7.7% of the share capital, BlackRock Inc. holding 5.1% of the share capital and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and BlackRock Inc. owns more than 5% of its capital or voting rights.</p> <p><b><i>Issue Specific Summary</i></b></p> <p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</i></p>
<b>B.17</b>	Solicited credit ratings	<p>[BNPP B.V.'s long term credit rating is A+ with a stable outlook (S&amp;P Global Ratings Europe Limited) and BNPP B.V.'s short term credit rating is A-1 (S&amp;P Global Ratings Europe Limited).</p> <p>BNPP's long-term credit ratings are A+ with a stable outlook (S&amp;P Global Ratings Europe Limited), Aa3 with a stable outlook (Moody's Investors Service Ltd.), AA- with a stable outlook (Fitch France S.A.S.) and AA (low) with a stable outlook (DBRS Limited) and BNPP's short-term credit ratings are A-1 (S&amp;P Global Ratings Europe Limited), P-1 (Moody's Investors Service Ltd.), F1+ (Fitch France S.A.S.) and R-1 (middle) (DBRS Limited).</p> <p>Securities issued under the Programme may be rated or unrated.</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p> <p><b><i>Issue Specific Summary</i></b></p> <p><i>[Insert where BNPP B.V. is the Issuer:</i></p> <p>BNPP B.V.'s long term credit rating is [A+ with a stable outlook (S&amp;P Global Ratings Europe Limited)] and BNPP B.V.'s short term credit rating is [A-1 (S&amp;P Global Ratings Europe Limited)].]</p> <p><i>[Insert where BNPP is the Issuer:</i></p>

Element	Title	
		<p>BNPP's long term credit ratings are [A+ with a stable outlook (S&amp;P Global Ratings Europe Limited)], [Aa3 with a stable outlook (Moody's Investors Service Ltd.)], [AA- with a stable outlook (Fitch France S.A.S.)] and [AA (low) with a stable outlook (DBRS Limited)] and BNPP's short-term credit ratings are [A-1 (S&amp;P Global Ratings Europe Limited)], [P-1 (Moody's Investors Service Ltd.)], [F1+ (Fitch France S.A.S.)] and [R-1 (middle) (DBRS Limited)].]</p> <p>[The Securities [have [not] been/are expected to be] rated [[●] by [●]].</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>
<b>B.18</b>	Description of the Guarantee	<p><b><i>In relation to BNPP B.V.:</i></b></p> <p>The Securities issued by BNPP B.V. will be unconditionally and irrevocably guaranteed by BNP Paribas ("<b>BNPP</b>" or the "<b>Guarantor</b>") pursuant to a French law <i>garantie</i> executed by BNPP on or around 3 July 2019 (the "<b>Guarantee</b>").</p> <p>In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to liabilities of BNPP resulting from the application of a bail-in of BNPP by any relevant regulator (including in a situation where the Guarantee itself is not the subject of such bail-in).</p> <p>The obligations under the Guarantee are senior preferred obligations (within the meaning of Article L.613-30-3-I-3° of the French <i>Code monétaire et financier</i>) and unsecured obligations of BNPP and will rank <i>pari passu</i> with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.</p> <p><b><i>In relation to BNPP:</i></b></p> <p>Securities issued by BNPP are not guaranteed.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. and delete the above-paragraph(s) related to BNPP. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP and delete the above-paragraph(s) related to BNPP B.V.]</p>
<b>B.19</b>	Information about the Guarantor	<p>[If the Securities are issued by BNPP B.V., insert the Elements B.19/B.1 to B.19/B.17. If the Securities are issued by BNPP, delete the Elements B.19/B.1 to B.19/B.17.]</p>
<b>B.19/ B.1</b>	Legal and	BNP Paribas.

Element	Title	
	commercial name of the Guarantor	
<b>B.19/ B.2</b>	Domicile/ legal form/ legislation/ country of incorporation	The Guarantor was incorporated in France as a société anonyme under French law and licensed as a bank having its head office at 16, boulevard des Italiens – 75009 Paris, France.
<b>B.19/ B.4b</b>	Trend information	<p><b><i>Macroeconomic environment</i></b></p> <p>Macroeconomic and market conditions affect BNPP's results. The nature of BNPP's business makes it particularly sensitive to macroeconomic and market conditions in Europe.</p> <p>In 2018, global growth remained healthy at around 3.7% (according to the IMF), reflecting a stabilised growth rate in advanced economies (+2.4% after +2.3% in 2017) and in emerging economies (+4.6% after +4.7% in 2017). Since the economy was at the peak of its cycle in large developed countries, central banks continued to tighten accommodating monetary policy or planned to taper it. With inflation levels still moderate, however, central banks were able to manage this transition gradually, thereby limiting the risks of a marked downturn in economic activity. Thus, the IMF expects the global growth rate experienced over the last two years to continue in 2019 (+3.5%) despite the slight slowdown expected in advanced economies.</p> <p>In this context, the following two risk categories can be identified:</p> <p><i>Risks of financial instability due to the conduct of monetary policies</i></p> <p>Two risks should be emphasised: a sharp increase in interest rates and the current very accommodating monetary policy being maintained for too long.</p> <p>On the one hand, the continued tightening of monetary policy in the United States (which started in 2015) and the less-accommodating monetary policy in the euro zone (reduction in assets purchases started in January 2018, with an end in December 2018) involve risks of financial turbulence and economic slowdown more pronounced than expected. The risk of an inadequately controlled rise in long-term interest rates may in particular be emphasised, under the scenario of an unexpected increase in inflation or an unanticipated tightening of monetary policies. If this risk materialises, it could have negative consequences on the asset markets, particularly those for which risk premiums are extremely low compared to their historic average, following a decade of accommodating monetary policies (credit to non-investment grade corporates or countries, certain sectors of the equity and bond markets, etc.) as well as on certain interest rate-sensitive sectors.</p> <p>On the other hand, despite the upturn since mid-2016, interest rates remain low, which may encourage excessive risk-taking among some financial market participants: lengthening maturities of financings and assets held, less</p>



Element	Title	
		<p>stringent credit policy, and an increase in leveraged financings. Some of these participants (insurance companies, pension funds, asset managers, etc.) have an increasingly systemic dimension and in the event of market turbulence (linked for example to a sharp rise in interest rates and/or a sharp price correction) they could be brought to unwind large positions in a relatively weak market liquidity.</p> <p><i>Systemic risks related to increased debt</i></p> <p>Macro-economically, the impact of an interest rate increase could be significant for countries with high public and/or private debt-to-GDP. This is particularly the case for certain European countries (in particular Greece, Italy, and Portugal), which are posting public debt-to-GDP ratios often above 100% but also for emerging countries.</p> <p>Between 2008 and 2018, the latter recorded a marked increase in their debt, including foreign currency debt owed to foreign creditors. The private sector was the main source of the increase in this debt, but also the public sector to a lesser extent, particularly in Africa. These countries are particularly vulnerable to the prospect of a tightening in monetary policies in the advanced economies. Capital outflows could weigh on exchange rates, increase the costs of servicing that debt, import inflation, and cause the emerging countries' central banks to tighten their credit conditions. This would bring about a reduction in forecast economic growth, possible downgrades of sovereign ratings, and an increase in risks for the banks. While the exposure of the BNP Paribas Group to emerging countries is limited, the vulnerability of these economies may generate disruptions in the global financial system that could affect the Group and potentially alter its results.</p> <p>It should be noted that debt- related risk could materialise, not only in the event of a sharp rise in interest rates, but also with any negative growth shocks.</p> <p><i>Laws and regulations applicable to financial institutions.</i></p> <p>Recent and future changes in the laws and regulations applicable to financial institutions may have a significant impact on BNPP. Measures that were recently adopted or which are (or whose application measures are) still in draft format, that have or are likely to have an impact on BNPP notably include:</p> <ul style="list-style-type: none"> <li>– regulations governing capital: the Capital Requirements Directive IV ("<b>CRD 4</b>")/the Capital Requirements Regulation ("<b>CRR</b>"), the international standard for total-loss absorbing capacity ("<b>TLAC</b>") and BNPP's designation as a financial institution that is of systemic importance by the Financial Stability Board;</li> <li>- the structural reforms comprising the French banking law of 26 July 2013 requiring that banks create subsidiaries for or segregate "speculative" proprietary operations from their traditional retail banking activities, the "Volcker rule" in the US which restricts</li> </ul>

Element	Title	
		<p>proprietary transactions, sponsorship and investment in private equity funds and hedge funds by US and foreign banks;</p> <ul style="list-style-type: none"> <li>– the European Single Supervisory Mechanism and the ordinance of 6 November 2014;</li> <li>– the Directive of 16 April 2014 related to deposit guarantee systems and its delegation and implementing decrees, the Directive of 15 May 2014 establishing a Bank Recovery and Resolution framework, the Single Resolution Mechanism establishing the Single Resolution Council and the Single Resolution Fund;</li> <li>– the Final Rule by the US Federal Reserve imposing tighter prudential rules on the US transactions of large foreign banks, notably the obligation to create a separate intermediary holding company in the US (capitalised and subject to regulation) to house their US subsidiaries;</li> <li>– the new rules for the regulation of over-the-counter derivative activities pursuant to Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, notably margin requirements for uncleared derivative products and the derivatives of securities traded by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants, and the rules of the US Securities and Exchange Commission which require the registration of banks and major swap participants active on derivatives markets and transparency and reporting on derivative transactions;</li> <li>– the new Markets in Financial Instruments Directive ("<b>MiFID II</b>") and Markets in Financial Instruments Regulation ("<b>MiFIR</b>"), and European regulations governing the clearing of certain over-the-counter derivative products by centralised counterparties and the disclosure of securities financing transactions to centralised bodies;</li> <li>– the General Data Protection Regulation ("<b>GDPR</b>") came into force on 25 May 2018. This regulation aims to move the European data confidentiality environment forward and improve personal data protection within the European Union. Businesses run the risk of severe penalties if they do not comply with the standards set by the GDPR. This Regulation applies to all banks providing services to European citizens; and</li> <li>– the finalisation of Basel 3 published by the Basel committee in December 2017, introducing a revision to the measurement of credit risk, operational risk and credit valuation adjustment ("<b>CVA</b>") risk for the calculation of risk-weighted assets. These measures are expected to come into effect in January 2022 and will be subject to an output floor (based on standardised approaches), which will be</li> </ul>

Element	Title	
		<p>gradually applied as of 2022 and reach its final level in 2027.</p> <p>Moreover, in this tougher regulatory context, the risk of non-compliance with existing laws and regulations, in particular those relating to the protection of the interests of customers and personal data, is a significant risk for the banking industry, potentially resulting in significant losses and fines. In addition to its compliance system, which specifically covers this type of risk, the Group places the interest of its customers, and more broadly that of its stakeholders, at the heart of its values. Thus, the code of conduct adopted by the Group in 2016 sets out detailed values and rules of conduct in this area.</p> <p><b><i>Cyber security and technology risk</i></b></p> <p>BNPP's ability to do business is intrinsically tied to the fluidity of electronic transactions as well as the protection and security of information and technology assets.</p> <p>The technological change is accelerating with the digital transformation and the resulting increase in the number of communications circuits, proliferation in data sources, growing process automation, and greater use of electronic banking transactions.</p> <p>The progress and acceleration of technological change are giving cybercriminals new options for altering, stealing, and disclosing data. The number of attacks is increasing, with a greater reach and sophistication in all sectors, including financial services.</p> <p>The outsourcing of a growing number of processes also exposes the Group to structural cyber security and technology risks leading to the appearance of potential attack vectors that cybercriminals can exploit.</p> <p>Accordingly, the Group has a second line of defence within the Risk Function dedicated to managing technological and cyber security risks. Thus, operational standards are regularly adapted to support BNPP's digital evolution and innovation while managing existing and emerging threats (such as cyber-crime, espionage, etc.).</p>
<b>B.19/B.5</b>	Description of the Group	BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in France, Belgium, Italy and Luxembourg. It is present in 72 countries and has more than 202,000 employees, including over 154,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the " <b>BNPP Group</b> ").
<b>B.19/B.9</b>	Profit forecast or estimate	Not applicable, as there are no profit forecasts or estimates made in respect of the Guarantor in the Base Prospectus to which this Summary relates.
<b>B.19/B.10</b>	Audit report qualifications	Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.
		<b><i>Issue Specific Summary</i></b>

Element	Title		
		[Not applicable, there are no qualifications in any audit report on the historical financial information included in the Base Prospectus.] / [The audit report on the historical financial information included in the Base Prospectus contains the following qualifications(s): [describe qualification(s)]]	
B.19/ B.12	Selected historical key financial information in relation to the Guarantor:		
	Comparative Annual Financial Data - In millions of EUR		
		31/12/2018* (audited)	31/12/2017 (audited)
	Revenues	42,516	43,161
	Cost of Risk	(2,764)	(2,907)
	Net income, Group share	7,526	7,759
		31/12/2018	31/12/2017
	Common Equity Tier 1 Ratio (Basel 3 fully loaded, CRD4)	11.8%	11.8%
		31/12/2018* (audited)	31/12/2017 (audited)
	Total consolidated balance sheet	2,040,836	1,960,252
	Consolidated loans and receivables due from customers	765,871	727,675
	Consolidated items due to customers	796,548	766,890
	Shareholders' equity (Group share)	101,467	101,983
	* The figures as at 31 December 2018 included here are based on the new IFRS 9 accounting standard. The impacts of the first application of the new IFRS 9 accounting standard were limited and fully taken into account as of 1 January 2018: -1.1 billion euros impact on shareholders' equity not revaluated (2.5 billion euros impact on shareholders' equity revaluated) and ~10 bp on the fully loaded Basel 3 common equity Tier 1 ratio.		
	Comparative Interim Financial Data for the three-month period ended 31 March 2019– In millions of EUR		
		1Q19* (unaudited)	1Q18 (unaudited)
	Revenues	11,144	10,798

Element	Title		
	Cost of Risk	(769)	(615)
	Net income, Group share	1,918	1,567
		<b>31/03/2019*</b>	<b>31/12/2018</b>
	Common Equity Tier 1 Ratio (Basel 3 fully loaded, CRD4)	11.7%	11.8%
		<b>31/03/2019*</b>	<b>31/12/2018</b>
		<b>(unaudited)</b>	<b>(audited)</b>
	Total consolidated balance sheet	2,284,496	2,040,836
	Consolidated loans and receivables due from customers	783,273	765,871
	Consolidated items due to customers	826,100	796,548
	Shareholders' equity (Group share)	105,339	101,467
	<p>* The figures as at 31 March 2019 are based on the new IFRS 16 accounting standard. The impact as at 1 January 2019 of the first application of the new accounting standard IFRS 16 ("<i>Leasing</i>") was ~10 bp on the Basel 3 common equity Tier 1 ratio.</p> <p><b>Statements of no significant or material adverse change</b></p> <p>There has been no significant change in the financial or trading position of the BNPP Group since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP or the BNPP Group since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published).</p> <p><b>Issue Specific Summary</b></p> <p>There has been no significant change in the financial or trading position of the BNPP Group since [31 December 2018 (being the end of the last financial period for which audited financial statements have been published)].</p> <p>There has been no material adverse change in the prospects of BNPP or the BNPP Group since [31 December 2018 (being the end of the last financial period for which audited financial statements have been published)].</p>		
<b>B.19/ B.13</b>	Events impacting the Guarantor's solvency	<p>Not applicable, to the best of the Guarantor's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since 31 December 2018.</p> <p><b>Issue Specific Summary</b></p> <p>[Not applicable, to the best of the Guarantor's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of</p>	

Element	Title	
		<p>the Guarantor's solvency since [31 December 2018]].</p> <p><i>[specify any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency.]</i></p>
<b>B.19/ B.14</b>	Dependence upon other Group entities	BNPP is not dependent upon other members of the BNPP Group.
<b>B.19/ B.15</b>	Principal activities	<p>BNP Paribas holds key positions in its two main businesses:</p> <ul style="list-style-type: none"> <li>• <b>Retail Banking and Services</b>, which includes: <ul style="list-style-type: none"> <li>• Domestic Markets, comprising: <ul style="list-style-type: none"> <li>• French Retail Banking (FRB),</li> <li>• BNL banca commerciale (BNL bc), Italian retail banking,</li> <li>• Belgian Retail Banking (BRB),</li> <li>• Other Domestic Markets activities, including Luxembourg Retail Banking (LRB);</li> </ul> </li> <li>• International Financial Services, comprising: <ul style="list-style-type: none"> <li>• Europe-Mediterranean,</li> <li>• BancWest,</li> <li>• Personal Finance,</li> <li>• Insurance,</li> <li>• Wealth and Asset Management;</li> </ul> </li> </ul> </li> <li>• <b>Corporate and Institutional Banking (CIB)</b>, which includes: <ul style="list-style-type: none"> <li>• Corporate Banking,</li> <li>• Global Markets,</li> <li>• Securities Services.</li> </ul> </li> </ul>
<b>B.19/ B.16</b>	Controlling shareholders	<p>None of the existing shareholders controls, either directly or indirectly, BNPP. As at 31 December 2018, the main shareholders were Société Fédérale de Participations et d'Investissement ("<b>SFPI</b>") a public-interest <i>société anonyme</i> (public limited company) acting on behalf of the Belgian government holding 7.7% of the share capital, BlackRock Inc. holding 5.1% of the share capital and Grand Duchy of Luxembourg holding 1.0% of the share capital. To BNPP's knowledge, no shareholder other than SFPI and BlackRock Inc. owns more than 5% of its capital or voting rights.</p>

Element	Title	
<b>B.19/ B.17</b>	Solicited credit ratings	<p>BNPP's long term credit ratings are A+ with a stable outlook (S&amp;P Global Ratings Europe Limited), Aa3 with a stable outlook (Moody's Investors Service Ltd.), AA- with a stable outlook (Fitch France S.A.S.) and AA (low) with a stable outlook (DBRS Limited) and BNPP's short-term credit ratings are A-1 (S&amp;P Global Ratings Europe Limited), P-1 (Moody's Investors Service Ltd.), F1+ (Fitch France S.A.S.) and R-1 (middle) (DBRS Limited).</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p><i>Issue Specific Summary</i></p> <p>BNPP's long term credit ratings are [A+ with a stable outlook (S&amp;P Global Ratings Europe Limited)], [Aa3 with a stable outlook (Moody's Investors Service Ltd.)], [AA- with a stable outlook (Fitch France S.A.S.)] and [AA (low) with a stable outlook (DBRS Limited)] and BNPP's short-term credit ratings are [A-1 (S&amp;P Global Ratings Europe Limited)], [P-1 (Moody's Investors Service Ltd.)], [F1+ (Fitch France S.A.S.)] and [R-1 (middle) (DBRS Limited)].</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>

## Section C – Securities

Element	Title	
C.1	Type and class of Securities/ISIN	<p>The following types of Securities may be issued: warrants ("<b>Warrants</b>") and certificates ("<b>Certificates</b>" and, together with the Warrants, "<b>Securities</b>").</p> <p>The ISIN in respect of a Series of Securities will be specified in the applicable Final Terms. If applicable, the Common Code, Mnemonic Code, CFI, FISN and/or WKN will also be specified in the applicable Final Terms.</p> <p>If specified in the applicable Final Terms, the Securities will be consolidated and form a single series with such earlier Tranches as are specified in the applicable Final Terms.</p> <p>Securities may be cash settled ("<b>Cash Settled Securities</b>") or physically settled by delivery of assets ("<b>Physical Delivery Securities</b>").</p> <p><i><b>Issue Specific Summary</b></i></p> <p>The Securities are [warrants ("<b>Warrants</b>")]/[certificates ("<b>Certificates</b>") and are issued in Series.</p> <p>The Series Number of the Securities is [●].</p> <p>[The Tranche number is [●].]</p> <p>The ISIN is: [●].</p> <p>[The Common Code is: [●].]</p> <p>[The Mnemonic Code is: [●].]</p> <p>[The CFI is: [●].]</p> <p>[The FSIN is [●].]</p> <p>[The WKN is [●].]</p> <p>[The Securities will be consolidated and form a single series with [<i>identify earlier Tranches</i>] on the Issue Date.]</p> <p>[The Certificates are governed by French law.]</p> <p>[The Warrants are governed by French law.]</p> <p>The Securities are [cash settled Securities/physically settled Securities].</p>
C.2	Currency	<p>Subject to compliance with all applicable laws, regulations and directives, Securities may be issued in any currency.</p> <p><i><b>Issue Specific Summary</b></i></p> <p>The currency of this Series of Securities is [●] ("[●]").</p>



Element	Title	
C.5	Restrictions on free transferability	The Securities will be freely transferable, subject to the offering and selling restrictions in the United States, the European Economic Area, Belgium, Denmark, Finland, France, Luxembourg, the Netherlands, Norway, Spain and Sweden and under the Prospectus Directive and the laws of any jurisdiction in which the relevant Securities are offered or sold.
C.8	Rights attaching to the Securities	<p>Securities issued under the Programme will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p>The Securities are unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves. In relation to Securities issued by BNPP, the term "unsubordinated obligations" refers to senior preferred obligations which fall or are expressed to fall within the category of obligations described in Article L.613-30-3-I-3°. of the French <i>Code monétaire et financier</i>.</p> <p><b>Taxation</b></p> <p>The Holder must pay all taxes, duties and/or expenses arising from the disposal, exercise and settlement or redemption of the Securities and/or the delivery or transfer of the Entitlement.</p> <p>The Issuer shall deduct from amounts payable or assets deliverable to Holders certain taxes and expenses not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent determines are attributable to the Securities.</p> <p>Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.</p> <p>In addition, if the Securities are deemed to be "specified securities" for the purpose of Section 871(m) of the Code, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.</p> <p>Payments on the Securities that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to the net dividends payable on such U.S. securities or net total returns of the U.S. components of such index. In calculating the relevant payment amount the Issuer may withhold and the holder may be deemed to have received 30 per cent. of any</p>

Element	Title	
		<p>“dividend equivalent” payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities or U.S. dividend paying index components, as the case may be. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.</p> <p><b>Negative pledge</b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p> <p><b>Events of Default</b></p> <p>The terms of the Securities will not contain events of default.</p> <p><b>Meetings</b></p> <p>The applicable Final Terms may specify that Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>masse</i> (the "<b>Masse</b>") (in relation to Securities for which "Contractual <i>Masse</i>" or "Full <i>Masse</i>" is applicable) or that Holders shall not be grouped in a <i>Masse</i> (in relation to Securities which do not constitute obligations within the meaning of Article L.213-5 of the French <i>Code monétaire et financier</i>).</p> <p>The <i>Masse</i>, if applicable, will act in part through a representative (the "<b>Representative</b>") and in part through a general meeting of the Holders (the "<b>General Meeting</b>") or decisions taken by written resolution ("<b>Written Resolution</b>"). In certain cases, defined majorities may bind all Holders, including Holders who did not attend and vote at the relevant General Meeting, Holders who voted in a manner contrary to the majority and Holders who did not respond to or rejected the relevant Written Resolution.</p> <p><b>Governing law</b></p> <p>The Securities, the Agency Agreement (as amended or supplemented from time to time) and the Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto shall, subject to any mandatory rules of the Brussels Recast Regulation, be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (<i>Cour d'Appel de Paris</i>). BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16, boulevard des Italiens, 75009 Paris.</p> <p><b>Issue Specific Summary</b></p> <p>Securities issued under the Programme will have terms and conditions relating to, among other matters:</p> <p><b>Status</b></p> <p>The Securities are unsubordinated and unsecured obligations of the Issuer and</p>

Element	Title	
		<p>rank <i>pari passu</i> among themselves. [<i>Insert in relation to Securities issued by BNPP: The term "unsubordinated obligations" refers to senior preferred obligations which fall or are expressed to fall within the category of obligations described in Article L.613-30-3-I-3°. of the French Code monétaire et financier.</i>]</p> <p><b>Taxation</b></p> <p>The Holder must pay all taxes, duties and/or expenses arising from the disposal, exercise and settlement or redemption of the Securities and/or the delivery or transfer of the Entitlement.</p> <p>The Issuer shall deduct from amounts payable or assets deliverable to Holders certain taxes and expenses not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent determines are attributable to the Securities.</p> <p>Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.</p> <p>[<i>Insert if the Securities are (or may be) Specified Securities pursuant to Section 871(m) of the Code:</i> In addition, if the Securities are deemed to be "specified securities" for the purpose of Section 871(m) of the Code, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.]</p> <p>[Payments on the Securities that reference [U.S. securities] [an index that includes U.S. securities] may be calculated by reference to the [net dividends payable on such U.S. securities] [net total returns of the U.S. components of such index]. In calculating the relevant payment amount the Issuer has withheld and the holder will be deemed to have received 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant [U.S. securities] [U.S. dividend paying index components]. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.]</p> <p><b>Negative pledge</b></p> <p>The terms of the Securities will not contain a negative pledge provision.</p> <p><b>Events of Default</b></p>

Element	Title	
		<p>The terms of the Securities will not contain events of default.</p> <p><b>Meetings</b></p> <p>[The Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>masse</i> (the "<b>Masse</b>"). The <i>Masse</i> will act in part through a representative (the "<b>Representative</b>") and in part through a general meeting of the Holders (the "<b>General Meeting</b>") or decisions taken by written resolution ("<b>Written Resolution</b>").] / [The Holders shall not be grouped in a <i>Masse</i>.]</p> <p><b>Governing law</b></p> <p>The Securities, the Agency Agreement (as amended or supplemented from time to time) and the Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto shall, subject to any mandatory rules of the Brussels Recast Regulation, be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (<i>Cour d'Appel de Paris</i>). BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16, boulevard des Italiens, 75009 Paris.</p>
C.9	Interest/ Redemption	<p><b>Interest</b></p> <p>Warrants do not bear or pay interest. The Certificates do not bear or pay interest except in relation to SPS Payout Securities and Fixed Rate Interest. Certificates may be offered and sold at a discount to their nominal amount. The Issuer may issue interest bearing Exempt Securities.</p> <p><b>Redemption</b></p> <p>The terms under which Securities may be redeemed or exercised (including the redemption date or exercise date and related settlement date and the amount payable or deliverable on redemption or exercise as well as any provisions relating to early redemption or cancellation) will be determined by the Issuer at the time of issue of the relevant Securities, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p>Securities may be cancelled or redeemed early if the performance of the Issuer's obligations under the Securities has become illegal or by reason of force majeure or act of state it becomes impossible or impracticable for the Issuer to perform its obligations under the Securities and/or any related hedging arrangements. If specified in the applicable Final Terms, Certificates may be redeemed early at the option of the Issuer or at the option of the Holders at the Optional Redemption Amount specified in the applicable Final Terms. The Optional Redemption Amount in respect of each Certificate shall be either (i) the Notional Amount multiplied by the percentage specified in the applicable Final Terms; or (ii) the following Put Payout (in the case of early</p>

Element	Title	
		<p>redemption at the option of the Holders):</p> <p><b>Put Payouts</b></p> <p>Put Payout 2210</p> <p>Put Payout 2300</p> <p><b>Call Payouts</b></p> <p>Call Payout 2300</p> <p>In the case of Securities linked to an Underlying Reference, the Securities may also be cancelled or redeemed early following the occurrence of certain disruption, adjustment, extraordinary or other events as summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p><b><i>Representative of Holders</i></b></p> <p>No representative of the Holders has been appointed by the Issuer if so specified in the applicable Final Terms in relation to Securities which do not constitute <i>obligations</i> within the meaning of Article L.213-5 of the French <i>Code monétaire et financier</i>.</p> <p>If the relevant Final Terms specifies "Full <i>Masse</i>", the Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>Masse</i> and the provisions of the French <i>Code de commerce</i> relating to the <i>Masse</i> shall apply; or</p> <p>If the relevant Final Terms specifies "Contractual <i>Masse</i>", the Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>Masse</i>. The <i>Masse</i> will be governed by the provisions of the French <i>Code de commerce</i> with the exception of Articles L.228-48, L.228-65 sub-paragraphs 1°, 3°, 4° and 6° of I and II, L.228-71, R.228-63 and R.228-69 of the French <i>Code de commerce</i>, as completed by the provisions of the Terms and Conditions.</p> <p>The names and addresses of the initial Representative of the <i>Masse</i> and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Securities will be the representative of the single <i>Masse</i> of all Tranches in such Series.</p> <p>Please also refer to Element C.8 above for rights attaching to the Securities.</p>

Element	Title	
		<p><b><i>Issue Specific Summary</i></b></p> <p><b><i>Interest</i></b></p> <p><i>[Insert in the case of Warrants or non-interest bearing Certificates]</i> The Securities do not bear or pay interest [except in relation to SPS Payout Securities and Fixed Rate Interest] <i>[insert in the case of Certificates sold at a discount to their nominal amount: and will be offered and sold at a discount to their nominal amount].</i></p> <p>[The Certificates [[bear/pay] [pay a fixed amount of] interest [from their date of issue/from [●]] [at [a structured rate calculated by reference to [insert underlying] (the "<b>Underlying Reference(s)</b>") [a fixed rate of [●] per cent. <i>per annum</i>] [on insert date(s)]. Interest will be paid [quarterly/semi-annually/annually] [in arrear] on [●] in each year. The first interest payment will be made on [●]. [The yield of the Certificates is [●] per cent.]</p> <p>[The interest rate is calculated as set out below: [Coupon Rate Payout 3000/1 – Digital Coupon] [Coupon Rate Payout 3000/2 – Snowball Digital Coupon].]</p> <p>Interest is calculated by applying the Fixed Rate Interest to the Notional Amount, and applying, if applicable, the Day Count Fraction.</p> <p>"<b>Notional Amount</b>" means [●]</p> <p>["<b>Day Count Fraction</b>" means [●]]</p> <p><b><i>Redemption</i></b></p> <p>Unless previously redeemed or cancelled, each Security will be redeemed on [●] [at [par]/[[●] per cent of its nominal amount]][as set out in Element C.18]. <i>[In the case of Warrants, insert: The Warrants may be cancelled if the performance of the Issuer's obligations under the Warrants has become illegal or by reason of force majeure or act of state it becomes impossible or impracticable for the Issuer to perform its obligations under the Warrants and/or any related hedging arrangements. [The Warrants may also be cancelled for [specify any other early cancellation provisions applicable to the Securities being issued] at [specify the cancellation amount and any maximum or minimum cancellation amounts, applicable to the Securities being issued].]</i></p> <p><i>[In the case of Certificates, insert:</i></p> <p>The Certificates may be redeemed early [at the option of the Issuer [or]][ at the option of the Holders] at the Optional Redemption Amount equal to:</p> <p><i>[specify Optional Redemption Amount]/</i></p> <p><b>[Put Payout 2210]</b></p> <p><i>(Description and formula to be inserted)</i></p>

Element	Title	
		<p><b>[Put Payout 2300]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Call Payout 2300]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p>[The Certificates may also be redeemed early for <i>[specify any other early redemption option applicable to the Securities being issued]</i> at <i>[specify the early redemption amount and any maximum or minimum redemption amounts, applicable to the Securities being issued.]</i>.</p> <p><b><i>[Representative of Holders]</i></b></p> <p>[No representative of the Holders has been appointed by the Issuer.]</p> <p>[In respect of the representation of the Holders, <i>[If the applicable Final Terms specifies "Full Masse":</i> the Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>Masse</i> and the provisions of the French <i>Code de commerce</i> relating to the <i>Masse</i> shall apply.] / <i>[If the applicable Final Terms specifies "Contractual Masse":</i> the Holders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a <i>Masse</i>. The <i>Masse</i> will be governed by the provisions of the French <i>Code de commerce</i> with the exception of Articles L.228-48, L.228-65 sub-paragraphs 1°, 3°, 4° and 6° of I and II, L.228-71, R.228- 63 and R.228-69 of the French <i>Code de commerce</i>, as completed by the provisions of the Terms and Conditions of the French Law Securities.]</p> <p>[The names and addresses of the initial Representative of the <i>Masse</i> and its alternate are [●]. The Representative appointed in respect of the first Tranche of any Series of Securities will be the representative of the single <i>Masse</i> of all Tranches in such Series.] / [The Holders shall not be grouped in a <i>Masse</i>.]]</p> <p>Please also refer to Element C.8 above for rights attaching to the Securities.</p>
<b>C.10</b>	Derivative component in the interest payment	<p>The Securities will not bear interest except in relation to SPS Payout Securities and Fixed Rate Interest. The Issuer may issue interest bearing Exempt Securities.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[Not applicable][Payment of interest in respect of the Securities will be determined by reference to the performance of the Underlying Reference(s). Please also refer to Elements C.9 above and C.15 below].</p>
<b>C.11</b>	Admission to Trading	<p>Securities issued under the Programme may be admitted to trading on Euronext Paris, Euronext Amsterdam, Euronext Brussels, Stock exchange of Madrid/Barcelona/Valencia/Bilbao, NASDAQ OMX Helsinki Ltd., the Nordic</p>

Element	Title	
		<p>Growth Market, NASDAQ OMX Stockholm, the Nordic Derivatives Exchange Stockholm or such other regulated market, organised market or other trading system (such as the Nordic MTF or the Boerse Stuttgart cats GmbH (the "Cats")) specified in the applicable Final Terms, or may be issued on an unlisted basis.</p> <p><b>Issue Specific Summary</b></p> <p>[Application [has been][will be] made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [Euronext Paris]/[Euronext Amsterdam]/[Euronext Brussels]/[Stock exchange of [Madrid/Barcelona/Valencia/Bilbao]]/[NASDAQ OMX Helsinki Ltd.]/[the Nordic Growth Market]/[NASDAQ OMX Stockholm]/[the Nordic Derivatives Exchange Stockholm]/[the Nordic MTF] with effect from [●].] [Application has been made to list the Securities on the Boerse Stuttgart cats GmbH (the "Cats") and to admit the Securities to trading on the Cats [with effect from [●]].][Application has been made to list the Securities on the [●] and to admit the Securities for trading on the [●] with effect from [●]].</p> <p>[The Securities are not intended to be admitted to trading on any market.]</p>
<b>C.15</b>	How the value of the investment in the derivative securities is affected by the value of the underlying assets	<p>The Securities will not bear interest except in relation to SPS Payout Securities and Fixed Rate Interest. The Issuer may issue interest bearing Exempt Securities.</p> <p>The amount payable or assets deliverable on redemption or settlement of the Securities may be calculated by reference to certain specified Underlying Reference(s) specified in the applicable Final Terms.</p> <p>Fluctuations in the exchange rate of a relevant currency may also affect the value of the Securities.</p> <p>See Elements C.9 above and C.18 below.</p> <p><b>Issue Specific Summary</b></p> <p>The [amount payable][assets deliverable][in respect of interest] on [redemption][settlement] [is/are] calculated by reference to the Underlying Reference(s). See [Elements C.9 above] [and C.18 below].</p> <p>[Fluctuations in the exchange rate of a relevant currency may also affect the value of the Securities.]</p>
<b>C.16</b>	Maturity of the derivative securities	<p>The Exercise Date or Redemption Date of the Securities will be specified in the applicable Final Terms.</p> <p><b>Issue Specific Summary</b></p> <p>The [Exercise/Redemption] Date of the Securities is [●].</p>
<b>C.17</b>	Settlement	Securities may be cash or physically settled.



Element	Title	
	Procedure	<p>In certain circumstances the Issuer, the Holder or (if applicable) the Guarantor may vary settlement in respect of the Securities.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>This Series of Securities is [cash/physically] settled.</p> <p>The Issuer [has/does not have] the option to vary settlement. [[The Holder may elect for settlement by way of cash payment or by way of physical delivery.] [The Guarantor may vary settlement.]</p>
C.18	Return on Derivative Securities	<p>See Element C.8 above for the rights attaching to the Securities.</p> <p><b><i>Final Redemption - Certificates</i></b></p> <p>If the Securities are Certificates, unless previously redeemed or purchased and cancelled, each Security entitles its holder to receive from the Issuer on the Redemption Date:</p> <ul style="list-style-type: none"> <li>(a) in the case of Cash Settled Certificates, a Cash Settlement Amount, being an amount equal to the Final Payout specified in the applicable Final Terms;</li> <li>(b) in the case of Physical Delivery Certificates, the Entitlement, being the quantity of the Relevant Assets specified in the applicable Final Terms equal to the Entitlement specified in the applicable Final Terms; or</li> <li>(c) in the case of Certificates which may either be Cash Settled Certificates or Physical Delivery Certificates, depending on whether certain conditions are met, either (i) a Cash Settlement Amount being an amount equal to the Final Payout specified in the applicable Final Terms or (ii) the Entitlement, being the quantity of the Relevant Assets specified in the applicable Final Terms equal to the Entitlement specified in the applicable Final Terms.</li> </ul> <p><b>Exercise and Settlement - Warrants</b></p> <p>If the Securities are Warrants, each Security entitles its holder, upon due exercise, to receive from the Issuer on the Settlement Date:</p> <ul style="list-style-type: none"> <li>(a) in the case of Cash Settled Warrants, a Cash Settlement Amount, being an amount equal to the Final Payout specified in the applicable Final Terms; or</li> <li>(b) in the case of Physical Delivery Warrants, the Entitlement, being the quantity of the Relevant Assets specified in the applicable Final Terms equal to the Entitlement specified in the applicable Final Terms.</li> </ul> <p><b>Final Payouts</b></p>

Element	Title	
		<p><b>Exchange Traded Securities (ETS) Final Payouts</b></p> <p>(1) Investment Products:</p> <p>(a) Yield Enhancement (Payout 1250/4): fixed term products which on redemption have a fixed return if certain conditions (including a cap, knock-out and/or automatic early redemption features) relating to the performance of the Underlying Reference are met. There may be total, partial or no capital protection.</p> <p>(b) Participation (Payout 1320/1): fixed term products for which the return is linked to the performance of the Underlying Reference. The calculation of the return may be based on various mechanisms (including knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p>(2) Leverage Products:</p> <p>(a) Leverage (Payouts 2100, 2200/1, 2200/2, 2210, 2230): fixed term or open ended products for which the return is linked, either directly or indirectly to the linear or non-linear performance of the Underlying Reference. The calculation of the return may be based on various mechanisms (including knock-out features). There is no capital protection.</p> <p>(b) Constant Leverage (Payout 2300): fixed term or open ended products which have a return calculated by reference to a fixed daily leverage on the positive or negative performance of the Underlying Reference. There is no capital protection.</p> <p><b>Structured Products Securities (SPS) Final Payouts</b></p> <p>(a) Reverse Convertible Securities (Payout 3000): fixed term products which have a return linked to both the performance of the Underlying Reference(s) and a knock-in level. There is no capital protection and these products pay coupons.</p> <p>(b) Vanilla Call Securities (Payout 3001): fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various mechanisms (including knock-in or knock-out features). There may be total, partial or no capital protection.</p> <p><b>Entitlement Amounts</b></p> <p>If Rounding and Residual Amount is specified in the applicable Final Terms, the Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to the Rounding and Residual Amount.</p>

Element	Title	
		<p><b><i>Automatic Early Redemption/Exercise</i></b></p> <p>If an Automatic Early Redemption Event (in the case of Certificates) or an Automatic Early Expiration Event (in the case of Warrants), in each case as specified in the applicable Final Terms, occurs, the Securities will be (i) in the case of Certificates, redeemed early at the Automatic Early Redemption Amount on the Automatic Early Redemption Date or (ii) in the case of Warrants, cancelled at an amount equal to the Automatic Early Expiration Payout Amount on the Automatic Early Expiration Date.</p> <p>In the case of Certificates, the Automatic Early Redemption Amount will be equal to the Automatic Early Redemption Payout specified in the applicable Final Terms or, if not set out, an amount equal to the product of (i) the Notional Amount in respect of such Certificate and (ii) the relevant AER Rate specified in the applicable Final Terms relating to the Automatic Early Redemption Date.</p> <p>In the case of Warrants, the Automatic Early Expiration Payout Amount will be equal to the Automatic Early Redemption Payout specified in the applicable Final Terms.</p> <p><b><i>Automatic Early Redemption Payouts</i></b></p> <p><b>Automatic Early Redemption Payout 2200/1</b></p> <p><b>Automatic Early Redemption Payout 2200/2</b></p> <p><b>Automatic Early Redemption Payout 2210/1</b></p> <p><b>Automatic Early Redemption Payout 2210/2</b></p> <p><b>Automatic Early Redemption Payout 2230</b></p> <p><b>SPS Automatic Early Redemption Payout</b></p> <p><b><i>Issue Specific Summary</i></b></p> <p>See Element C.8 above for the rights attaching to the Securities.</p> <p><i>[If the Securities are Certificates, insert:</i></p> <p><b><i>Final Redemption</i></b></p> <p>Unless previously redeemed or purchased and cancelled, each Security entitles its holder to receive from the Issuer on the Redemption Date <i>[Insert in the case of cash settled Certificates: a Cash Settlement Amount equal to:][Insert in the case of physically settled Certificates: the Entitlement, being the quantity of [specify relevant assets] (the "Relevant Assets") equal to:]</i></p> <p><i>[If the Securities are Warrants, insert:</i></p>

Element	Title	
		<p><b><i>Exercise and Settlement</i></b></p> <p>Each Security entitles its holder, upon due exercise, to receive from the Issuer on the Settlement Date <i>[Insert in the case of cash settled Warrants: a Cash Settlement Amount equal to:][Insert in the case of physically settled Warrants: the Entitlement, being the quantity of [specify relevant assets] (the "Relevant Assets") equal to:]</i></p> <p><b>Final Payouts</b></p> <p><b>[Exchange Traded Securities (ETS) Final Payouts]</b></p> <p><b>Investment Products:</b></p> <p><b>[Yield Enhancement:</b> fixed term products which have a fixed return if certain conditions (including [a cap] [,] [knock-out features] [and] [an automatic early redemption features]) relating to the Underlying Reference(s) are met. There is [total]/[partial]/[no] capital protection.]</p> <p><b>[ETS Final Payout 1250/4]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Participation:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). [The calculation of the return may be based on various mechanisms (including a [knock-in]/[knock-out] feature).] There is [total]/[partial]/[no] capital protection.]</p> <p><b>[ETS Final Payout 1320/1]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>Leverage Products:</b></p> <p><b>[Leverage:</b> [fixed term] [open ended] products which have a return linked to the [linear]/[non-linear] performance of the Underlying Reference. The calculation of the return is based on various mechanisms (including knock-out features). There is no capital protection.]</p> <p><b>[ETS Final Payout 2100]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[ETS Final Payout 2200/1]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[ETS Final Payout 2200/2]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[ETS Final Payout 2210]</b></p>

Element	Title	
		<p><i>(Description and formula to be inserted)</i></p> <p><b>[ETS Final Payout 2230]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Constant Leverage:</b> [fixed term] [open ended] products which have a return calculated by reference to a fixed daily leverage on the positive or negative performance of the Underlying Reference(s). There is no capital protection.]</p> <p><b>[ETS Final Payout 2300]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Structured Products Securities (SPS) Final Payouts]</b></p> <p><b>[Reverse Convertible Securities:</b> fixed term products which have a return linked to both the performance of the Underlying Reference(s) and a knock-in level. There is no capital protection.]</p> <p><b>[SPS Final Payout 3000 – Reverse Convertible Securities]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Vanilla Securities:</b> fixed term products which have a return linked to the performance of the Underlying Reference(s). The return calculation can be based on various mechanisms [(including a [knock-in]/[knock-out] feature)]. There is [total]/[partial]/[no] capital protection.]</p> <p><b>[SPS Final Payout 3001 – Vanilla Call Securities]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>Entitlement Amount</b></p> <p><b>[Rounding and Residual Amount]</b></p> <p>The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to the Rounding and Residual Amount.]</p> <p><b>Automatic Early Redemption/Expiration</b></p> <p><i>[Insert if Delivery of Worst-Performing Underlying or Delivery of Best-Performing Underlying is specified:</i></p> <p><i>[If the Securities are Certificates, insert: <b>Automatic Early Redemption</b>]/[If the Securities are Warrants, insert: <b>Automatic Early Expiration</b>]</i></p> <p>If [on any [Automatic Early Redemption Valuation Date][Automatic Early Expiration Valuation Date]][in respect of an [Automatic Early Redemption Valuation Period][Automatic Early Expiration Valuation Period] an</p>

Element	Title	
		<p>[Automatic Early Redemption Event] [Automatic Early Expiration Event] occurs, the Securities will be [redeemed early] [cancelled] at [the Automatic Early Redemption Amount] [Automatic Early Expiration Payout Amount] on the [Automatic Early Redemption Date] [Automatic Early Expiration Date].</p> <p>[Insert in the case of Certificates: The Automatic Early Redemption Amount will be [equal to the product of [●] (the "<b>Notional Amount</b>") and [●] (the "<b>AER Rate</b>")]/[an amount equal to:]]</p> <p>[Insert in the case of Warrants: The Automatic Early Expiration Payout Amount will be equal to:]</p> <p><b>[Automatic Early Redemption Payout 2200/1]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Automatic Early Redemption Payout 2200/2]</b></p> <p><i>(Description and formula to be inserted)]</i></p> <p><b>[Automatic Early Redemption Payout 2210/1]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Automatic Early Redemption Payout 2210/2]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[Automatic Early Redemption Payout 2230]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[SPS Automatic Early Redemption Payout]</b></p> <p><i>(Description and formula to be inserted)</i></p> <p><b>[["Automatic Early Redemption Event"] ["Automatic Early Expiration Event"]]</b> means the <i>[insert in the case of a single Underlying: Underlying Reference Level]</i> <i>[insert in the case of a Basket of Underlying References: the Basket Price]</i> is [greater than][greater than or equal to][less than][less than or equal to] <i>[insert Level]</i> [that at the Observation Time(s) on an Automatic Early Redemption Valuation Date the Observation Price is [less than or equal to][greater than or equal to] the applicable Security Threshold].</p> <p><b>[["Automatic Early Redemption Valuation Date"] ["Automatic Early Expiration Valuation Date"]]</b> means [●], subject to adjustment.]</p> <p><b>[["Automatic Early Redemption Date"] ["Automatic Early Expiration Date"]]</b> means [●], subject to adjustment.]]</p> <p>[The above provisions are subject to adjustment as provided in the conditions of the Securities to take into account events in relation to the Underlying Reference or the Securities. This may lead to adjustments being made to the</p>

Element	Title	
		Securities [or, in some cases, the Securities being terminated early at an early redemption amount (see Element C.9)].]
<b>C.19</b>	Final reference price of the Underlying	<p>Where the amount payable or assets deliverable on redemption or settlement of the Securities is determined by reference to one or more Underlying Reference, the final reference price of the Underlying Reference will be determined in accordance with the valuation mechanics set out in Element C.18 above.</p> <p><i>Issue Specific Summary</i></p> <p>[Not applicable, there is no final reference price of the Underlying.] [The final reference price of the underlying will be determined in accordance with the valuation mechanics set out in Element C.18 above]</p>
<b>C.20</b>	Underlying Reference	<p>One or more index, share (including shares which are attached to each other trading as a single unit ("<b>Stapled Shares</b>")), global depositary receipt ("<b>GDR</b>"), American depositary receipt ("<b>ADR</b>"), interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "<b>exchange traded instrument</b>" or "<b>ETI</b>"), debt instrument, commodity and/or commodity index, currency, or futures contract.</p> <p>In respect of an Underlying Reference which is an index, the Final Terms may specify that Futures Price Valuation applies, in which case the value of the index will be determined by reference to futures or options contracts relating to such Index and the Conditions will contain adjustment provisions to take into account events in relation to the futures or options contracts.</p> <p>The Underlying Reference(s) in relation to a Tranche of Securities will be specified in the applicable Final Terms. The applicable Final Terms will specify where information on the Underlying Reference(s) can be obtained.</p> <p><i>Issue Specific Summary</i></p> <p>[Not applicable, there is no underlying]</p> <p>[The Underlying Reference specified in [Element C.9] [and] [Element C.18] above. Information on the Underlying Reference can be obtained from [●].]</p> <p><i>[Insert where the Underlying Reference is an Index and Futures Price Valuation applies: Futures Price Valuation is applicable and the Settlement Price [or First Traded Price] of the Index is determined by reference to the following futures or options contracts relating to such Index: [specify]].]</i></p>

## Section D - Risks

Element	Title	
D.2	Key risks regarding the Issuer [and the Guarantor]	<p>Prospective purchasers of Securities issued under this Base Prospectus should be experienced with respect to options and options transactions and should understand the risks of transactions involving the Securities. An investment in Securities presents certain risks that should be taken into account before any investment decision is made. Certain risks may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor's ability to perform its obligations under the Guarantee (in the case of Securities issued by BNPP B.V.), some of which are beyond its control. In particular, the Issuer (and the Guarantor, in the case of Securities issued by BNPP B.V.), together with the BNPP Group, are exposed to the risks associated with its activities, as described below:</p> <p><i>In relation to the Issuer</i></p> <p><i>In respect of BNPP B.V.:</i></p> <p>The main risks described above in relation to BNPP also represent the main risks for BNPP B.V., either as an individual entity or a company in the BNPP Group.</p> <p><i>Dependency Risk</i></p> <p>BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities. Consequently, Holders of BNPP B.V. securities will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNPP Group entities to perform their obligations under such hedging agreements.</p> <p><i>Credit Risk</i></p> <p>BNPP B.V. has significant concentration of credit risks as all OTC contracts, option and swap agreements are acquired from its parent company and other BNPP Group entities and such credit risks amount to EUR 56.2 billion as at 31 December 2018.</p> <p><i>Liquidity Risk</i></p> <p>BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities. The remaining risk amounts to EUR 2.7 million as at 31 December 2018.</p>



Element	Title	
		<p><b><i>In relation to the Issuer / Guarantor</i></b></p> <p><b><i>In respect of BNPP:</i></b></p> <p>There are certain factors that may affect the BNPP's ability to fulfil its obligations under the Securities issued under this Base Prospectus [and the Guarantor's obligations under the Guarantee].</p> <p>Seven main categories of risk are inherent in BNPP's activities:</p> <ol style="list-style-type: none"> <li>(1) <i>Credit risk</i> – Credit risk is defined as the probability of a borrower or counterparty defaulting on its obligations to BNPP. Probability of default along with the recovery rate of the loan or debt in the event of default are essential elements in assessing credit quality. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 504 billion at 31 December 2018. In accordance with the EBA recommendations, this category of risk also includes risks on equity investments, as well as those related to insurance activities.</li> <li>(2) <i>Operational risk</i> – Operational risk is the risk of loss resulting from failed or inadequate internal processes (particularly those involving personnel and information systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, etc.). Operational risks include fraud, human resources risks, legal and reputational risks, non-compliance risks, tax risks, information systems risks, risk of providing inadequate financial services (conduct risk), risk of failure of operational processes including credit processes, or from the use of a model (model risk), as well as potential financial consequences related to reputation risk management. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 73 billion at 31 December 2018.</li> <li>(3) <i>Counterparty risk</i> – Counterparty risk arises from BNPP's credit risk in the specific context of market transactions, investments, and/or settlements. The amount of this risk varies over time depending on fluctuations in market parameters affecting the potential future value of the transactions concerned. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 27 billion at 31 December 2018.</li> <li>(4) <i>Market risk</i> – Market risk is the risk of loss of value caused by an unfavorable trend in prices or market parameters. Market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether the price is directly quoted or obtained by reference to a comparable asset), the price of derivatives on an established market and all benchmarks that can be derived from market quotations such as interest rates, credit spreads, volatility or implicit correlations or other similar parameters. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 20 billion at 31 December 2018.</li> </ol>

Element	Title	
		<p>(5) <i>Securitisation risk</i> – Securitisation is a transaction or arrangement by which the credit risk associated with a liability or set of liabilities is subdivided into tranches. Any commitment made under a securitisation structure (including derivatives and liquidity lines) is considered to be a securitisation. The bulk of these commitments are in the prudential banking portfolio. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 7 billion at 31 December 2018.</p> <p>(6) <i>Risks related to deferred taxes and certain holdings in credit or financial institutions</i> – amounts below the prudential capital deduction thresholds generate risk-weighted assets amounting to EUR 17 billion at 31 December 2018.</p> <p>(7) <i>Liquidity risk</i> – Liquidity risk is the risk that BNPP will not be able to honor its commitments or unwind or offset a position due to market conditions or specific factors within a specified period of time and at a reasonable cost. It reflects the risk of not being able to cope with net cash outflows, including collateral requirements, over short-term to long-term horizons. The BNPP Group's specific risk can be assessed through its short-term liquidity ratio, which analyses the hedging of net cash outflows during a 30-day stress period.</p> <p>More generally, the risks to which the BNPP Group is exposed may arise from a number of factors related, among other things, to changes in its macroeconomic, competitive, market and regulatory environment or the implementation of its strategy, its business or its operations.</p> <p><i>Risks</i></p> <p>This section summarises the principal risks that BNPP currently considers itself to face. They are presented in the following categories: risks related to the macroeconomic environment, risks related to the market environment, regulatory risks and risks related to the implementation of BNPP's strategy, risks related to the management of BNPP's business, risks related to BNPP's operations.</p> <p>(a) Adverse economic and financial conditions have in the past had and may in the future have an impact on BNPP and the markets in which it operates.</p> <p>(b) Given the global scope of its activities, BNPP may be vulnerable to certain political, macroeconomic or financial risks in the countries and regions where it operates.</p> <p>(c) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.</p> <p>(d) The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.</p>

Element	Title	
		<p>(e) Significant interest rate changes could adversely affect BNPP's revenues or profitability.</p> <p>(f) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.</p> <p>(g) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</p> <p>(h) BNPP may generate lower revenues from commission and fee based businesses during market downturns.</p> <p>(i) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.</p> <p>(j) BNPP must ensure that its assets and liabilities properly match in order to avoid exposure to losses.</p> <p>(k) Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact BNPP and the financial and economic environment in which it operates.</p> <p>(l) BNPP could become subject to a resolution proceeding.</p> <p>(m) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.</p> <p>(n) BNPP may incur substantial fines and other administrative and criminal penalties for non compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.</p> <p>(o) Risks related to the implementation of BNPP's strategic plans.</p> <p>(p) BNPP may experience difficulties integrating acquired companies and may be unable to realise the benefits expected from its acquisitions.</p> <p>(q) BNPP is exposed to credit risk and counterparty risk.</p> <p>(r) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.</p> <p>(s) BNPP's hedging strategies may not prevent losses.</p> <p>(t) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.</p> <p>(u) The credit ratings of BNPP may be downgraded, which would weigh on its profitability.</p> <p>(v) Intense competition by banking and non banking operators could adversely affect BNPP's revenues and profitability.</p> <p>(w) BNPP's risk management policies, procedures and methods may leave</p>

Element	Title	
		<p>it exposed to unidentified or unanticipated risks, which could lead to material losses.</p> <p>(x) An interruption in or a breach of BNPP's information systems may cause substantial losses of client or customer information, damage to BNPP's reputation and financial losses.</p> <p>(y) BNPP's competitive position could be harmed if its reputation is damaged.</p> <p><b>Issue Specific Summary</b></p> <p><i>[Where BNPP B.V. is the Issuer, please insert the above-paragraph(s) related to BNPP B.V. as Issuer and insert the above-paragraph(s) related to BNPP as Guarantor. Where BNPP is the Issuer, please insert the above-paragraph(s) related to BNPP as Issuer and delete the above-paragraph(s) related to BNPP B.V. as Issuer.]</i></p>
<b>D.3</b>	Key risks regarding the Securities	<p>In addition to the risks (including the risk of default) that may affect the Issuer's ability to fulfil its obligations under the Securities or the Guarantor is ability to perform its obligations under the Guarantee, there are certain factors which are material for the purposes of assessing the risks associated with Securities issued under this Base Prospectus, including:</p> <p><b>Market Risks</b></p> <p>(i) the Securities are unsecured obligations;</p> <p>(ii) Securities including leverage involve a higher level of risk and whenever there are losses on such Securities those losses may be higher than those of a similar security which is not leveraged;</p> <p>(iii) Bull and Bear Certificates (ETS Final Payout 2300) are designed for short term or intraday trading only because they are valued on the basis of their compounded daily performance;</p> <p>(iv) the trading price of the Securities is affected by a number of factors including, but not limited to, (in respect of Securities linked to an Underlying Reference) the price of the relevant Underlying Reference(s), time to expiration or redemption and volatility and such factors mean that the trading price of the Securities may be below the Cash Settlement Amount or value of the Entitlement;</p> <p>(v) exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements and, in respect of Securities linked to an Underlying Reference, potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;</p> <p>(vi) there are specific risks in relation to Securities linked to an Underlying Reference from an emerging or developing market (including, without limitation, risks associated with political and economic uncertainty, adverse governmental policies, restrictions on</p>

Element	Title	
		<p>foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation and uncertainties as to status, interpretation and application of laws, increased custodian costs and administrative difficulties and higher probability of the occurrence of a disruption or adjustment event). Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile.</p> <p><i>Holder Risks</i></p> <p>(vii) the Securities may have a minimum trading amount and if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to expiration or redemption, as applicable, without first purchasing enough additional Securities in order to hold the minimum trading amount;</p> <p>(viii) limitations on the exercise of Warrants may mean that a Holder is not able to exercise all the Warrants that it desires to exercise on a particular date where the Issuer has the option to limit the number of Warrants exercisable on any date or may be required to sell or purchase Warrants (incurring transaction costs in each case) in order to realise its investment where a minimum number of Warrants must be exercised;</p> <p>(ix) changes in the Cash Settlement Amount during the time lag between a Holder giving instructions to exercise and determination of the Cash Settlement Amount could decrease the Cash Settlement Amount;</p> <p>(x) the meetings of Holders provisions permit defined majorities to bind all Holders;</p> <p>(xi) in certain circumstances Holders may lose the entire value of their investment;</p> <p><i>Issuer/Guarantor Risks</i></p> <p>(xii) if so indicated in the Final Terms the Issuer may, in good faith and in a commercially reasonable manner, elect to vary the settlement of the Securities;</p> <p>(xiii) Open End Certificates and OET Certificates do not have any pre-determined maturity and may be redeemed on any date determined by the relevant Issuer, acting in good faith and in commercially reasonable manner and investment in such Open End Certificates and OET Certificates entails additional risks compared with other Certificates due to the fact that the redemption date cannot be determined by the investor;</p> <p>(xiv) a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or Guarantor (if applicable) by a credit rating agency could result in a reduction in the trading value of the Securities;</p> <p>(xv) certain conflicts of interest may arise (see Element E.4 below);</p> <p><i>Legal Risks</i></p>

Element	Title	
		<p>(xvi) settlement may be postponed following the occurrence or existence of a Settlement Disruption Event and, in these circumstances, the Issuer may pay a Disruption Cash Settlement Price (which may be less than the fair market value of the Entitlement) in lieu of delivering the Entitlement;</p> <p>(xvii) the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities, cancellation (in the case of Warrants) or early redemption (in the case of Certificates) or may result in the amount payable on scheduled redemption being different from the amount expected to be paid on settlement (in the case of Warrants) or be paid at scheduled redemption (in the case of Certificates) and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Securities;</p> <p>(xviii) expenses and taxation may be payable in respect of the Securities;</p> <p>(xix) the Securities may be cancelled (in the case of Warrants) or redeemed (in the case of Certificates) in the case of illegality or impracticability and such cancellation or redemption may result in an investor not realising a return on an investment in the Securities;</p> <p>(xx) any judicial decision or change to an administrative practice or change to French law, as applicable, after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;</p> <p>(xxi) in certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date, certain specific information (specifically any of the issue price, fixed Rate of Interest, Minimum Interest Rate and/or Maximum Interest Rate payable, the Margin applied to the floating rate of interest payable, the Gearing applied to the interest or final payout, issue price, the AER Exit Rate used if an Automatic Early Exercise Event occurs, any Constant Percentage (being any of Constant Percentage, Constant Percentage 1, Constant Percentage 2) component of the final payout (which will be payable if certain conditions are met, as set out in the Payout Conditions) and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known but the Final Terms will specify an indicative range. In these circumstances, prospective investors will be required to make their decision to purchase Securities on the basis of that range prior to the actual issue price, Rate of Interest, Minimum Interest Rate, Maximum Interest Rate, Margin, Gearing, AER Exit Rate, issue price, AER Exit Rate, any Constant Percentage, Knock-in Level and/or Knock-out Level, as applicable, which will apply to the Securities being notified to them. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms;</p> <p><i>Secondary Market Risks</i></p> <p>(xxii) the only means through which a Holder can realise value from the Security prior to its Exercise Date or Redemption Date, as applicable</p>

Element	Title	
		<p>is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to wait until redemption of the Securities to realise a greater value than its trading value);</p> <p>(xxiii) an active secondary market may never be established or may be illiquid and this may adversely affect the value at which an investor may sell its Securities (investors may suffer a partial or total loss of the amount of their investment); and</p> <p>(xxiv) for certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required to act as market-maker. In those circumstances, BNP Paribas Arbitrage S.N.C. will endeavour to maintain a secondary market throughout the life of the Securities, subject to normal market conditions and will submit bid and offer prices to the market. The spread between bid and offer prices may change during the life of the Securities. However, during certain periods, it may be difficult, impractical or impossible for BNP Paribas Arbitrage S.N.C. to quote bid and offer prices, and during such periods, it may be difficult, impracticable or impossible to buy or sell these Securities. This may, for example, be due to adverse market conditions, volatile prices or large price fluctuations, a large marketplace being closed or restricted or experiencing technical problems such as an IT system failure or network disruption.</p> <p><i>Risks relating to Underlying Reference Asset(s)</i></p> <p>In addition, there are specific risks in relation to Securities which are linked to an Underlying Reference (including Hybrid Securities) and an investment in such Securities will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Underlying Reference linked Securities include:</p> <p>(xxv) in the case of Index Securities, exposure to one or more index, adjustment events and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</p> <p>(xxvi) in the case of Share Securities, exposure to one or more share(s) (including shares which are attached to each other trading as a single unit ("<b>Stapled Shares</b>")), similar market risks to a direct investment in an equity, global depositary receipt ("<b>GDR</b>") or American depositary receipt ("<b>ADR</b>"), potential adjustment events or extraordinary events affecting shares and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</p> <p>(xxvii) in the case of Commodity Securities, exposure to one or more commodity and/or commodity index, similar market risks to a direct commodity investment, market disruption and adjustment events which may have an adverse effect on the value or liquidity of the Securities, delays to the determination of the final level of a commodity index resulting in delays to the payment of the Cash Settlement Amount;</p> <p>(xxviii) in the case of ETI Securities, exposure to one or more interests in an</p>

Element	Title	
		<p>exchange traded fund, exchange traded note, exchange traded commodity or other exchange traded product (each an "<b>exchange traded instrument</b>" or "<b>ETI</b>"), similar market risks to a direct investment in an exchange traded instrument, that the amount payable on ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s), potential adjustment events or extraordinary events affecting exchange traded instruments and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</p> <p>(xxix) in the case of Currency Securities, exposure to a currency, similar market risks to a direct currency investment and market disruption;</p> <p>(xxx) in the case of Futures Securities, exposure to a futures contract, similar market risks to a direct futures contract investment, market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities;</p> <p>(xxxi) in the case of Debt Securities, exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption;</p> <p>(xxxii) in the case of Debt Securities or Index Securities where Futures Price Valuation is applicable, exposure to a futures or options contract relating to a synthetic debt instrument (in the case of Debt Securities) or an index (in the case of Index Securities), similar market risks to a direct investment in such futures or options contract and market disruption; and</p> <p>(xxxiii) that unless otherwise specified in the applicable Final Terms the Issuer will not provide post-issuance information in relation to the Underlying Reference.</p> <p><i>Risks relating to specific types of products</i></p> <p>(a) The following risks are associated with ETS Products</p> <p>(i) Yield Enhancement Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a cap, knock-out and/or automatic early redemption features apply.</p> <p>(ii) Participation Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early redemption features apply.</p> <p>(iii) Leverage Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying</p>



Element	Title	
		<p>Reference(s) and whether knock-in, knock-out and/or automatic early redemption features apply. Additionally, the return may depend on other market factors such as interest rates, the implied volatility of the Underlying Reference(s) and the time remaining until redemption. The effect of leverage on the Securities may be either positive or negative.</p> <p>(iv) Constant Leverage Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the daily performance of the Underlying Reference(s) and the operation of an automatic early redemption feature. Constant Leverage Products are generally suited to short term investments intraday or over a few days. Investments held for a longer period of time may be affected by volatile market conditions which may have a negative impact on the performance of the Underlying Reference(s).</p> <p>(b) The following risks are associated with SPS Products</p> <p>(i) Reverse Convertible Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in event occurs.</p> <p>(ii) Vanilla Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.</p> <p>In respect of an issue of Securities, further risks relevant to such Securities which are set out in the "Risks" section of the Base Prospectus may be summarised in the relevant issue specific summary annexed to the applicable Final Terms.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>In addition to the risks (including the risk of default) that may affect the Issuer's ability to fulfil its obligations under the Securities [or the Guarantor's ability to perform its obligations under the Guarantee], there are certain factors which are material for the purposes of assessing the risks associated with Securities issued under the Base Prospectus, including:</p> <p><i>[Market Risks</i></p> <p>[Securities are unsecured obligations;]</p> <p>[Securities including leverage involve a higher level of risk and whenever there are losses on such Securities those losses may be higher than those of a similar security which is not leveraged;]</p> <p>[Bull and Bear Certificates (ETS Final Payout 2300) are designed for short</p>

Element	Title	
		<p>term or intraday trading only because they are valued on the basis of their compounded daily performance;]</p> <p>[the trading price of the Securities is affected by a number of factors including, but not limited to, (in respect of Securities linked to an Underlying Reference) the price of the relevant Underlying Reference(s), time to [expiration] [redemption] volatility and such factors mean that the trading price of the Securities may be below the Cash Settlement Amount or value of the Entitlement;]</p> <p>[exposure to the Underlying Reference in many cases will be achieved by the Issuer entering into hedging arrangements and, in respect of Securities linked to an Underlying Reference, potential investors are exposed to the performance of these hedging arrangements and events that may affect the hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities;]</p> <p>[there are specific risks in relation to Securities linked to an Underlying Reference from an emerging or developing market (including, without limitation, risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation and uncertainties as to status, interpretation and application of laws, increased custodian costs and administrative difficulties and higher probability of the occurrence of a disruption or adjustment event). Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile;]</p> <p><i>[Holder Risks]</i></p> <p>[the Securities may have a minimum trading amount and if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer their remaining Securities prior to [expiration] [redemption] without first purchasing enough additional Securities in order to hold the minimum trading amount;]</p> <p>[limitations on the exercise of Warrants may mean that a Holder is not able to exercise all the Warrants that it desires to exercise on a particular date where the Issuer has the option to limit the number of Warrants exercisable on any date or may be required to sell or purchase Warrants (incurring transaction costs in each case) in order to realise its investment where a minimum number of Warrants must be exercised;]</p> <p>[changes in the Cash Settlement Amount during the time lag between a Holder giving instructions to exercise and determination of the Cash Settlement Amount could decrease the Cash Settlement Amount;]</p> <p>[the meetings of Holders provisions permit defined majorities to bind all Holders;]</p>

Element	Title	
		<p>[in certain circumstances Holders may lose the entire value of their investment;]]</p> <p><i>[Issuer[/Guarantor] Risks</i></p> <p>[if so indicated in the Final Terms the Issuer may, in good faith and in a commercially reasonable manner, elect to vary the settlement of the Securities;]</p> <p>[Open End Certificates and OET Certificates do not have any pre-determined maturity and may be redeemed on any date determined by the Issuer, acting in good faith and in a commercially reasonable manner, and investment in such Open End Certificates and OET Certificates entails additional risks compared with other Certificates due to the fact that the redemption date cannot be determined by the investor;]</p> <p>[a reduction in the rating, if any, accorded to outstanding debt securities of the Issuer or Guarantor(if applicable) by a credit rating agency could result in a reduction in the trading value of the Securities;]</p> <p>[certain conflicts of interest may arise (see Element E.4 below);]</p> <p><i>[Legal Risks</i></p> <p>[settlement may be postponed following the occurrence or existence of a Settlement Disruption Event and, in these circumstances, the Issuer may pay a Disruption Cash Settlement Price (which may be less than the fair market value of the Entitlement) in lieu of delivering the Entitlement;]</p> <p>[the occurrence of an additional disruption event or optional additional disruption event may lead to an adjustment to the Securities, [cancellation] [early redemption] or may result in the amount payable on scheduled redemption being different from the amount expected to be paid [on settlement] [at scheduled redemption] and consequently the occurrence of an additional disruption event and/or optional additional disruption event may have an adverse effect on the value or liquidity of the Securities;]</p> <p>[expenses and taxation may be payable in respect of the Securities;]</p> <p>[the Securities may be [cancelled] [redeemed] in the case of illegality or impracticability and such [cancellation] [redemption] may result in an investor not realising a return on an investment in the Securities;]</p> <p>[any judicial decision or change to an administrative practice or change to French law, as applicable, after the date of the Base Prospectus could materially adversely impact the value of any Securities affected by it;]</p> <p>[At the commencement of the offer period, the [issue price] [fixed Rate of Interest,] [Minimum Interest Rate] [Maximum Interest Rate] [Margin] [Gearing] [AER Exit Rate] [Constant Percentage [1][2]] [Knock-in Level]</p>

Element	Title	
		<p>[Knock-out Level] will not be known but the Final Terms will specify an indicative range. Prospective investors are required to make their decision to purchase the Securities on the basis of that indicative range prior to the actual [issue price] [Rate of Interest][Minimum Interest Rate][Maximum Interest Rate][Margin][Gearing][AER Exit Rate][Constant Percentage [1][2]] [Knock-in Level][Knock-out Level] which will apply to the Securities being notified to them. Notice of the actual rate, level or percentage, as applicable, will be published in the same manner as the publication of the Final Terms;]</p> <p><i>[Secondary Market Risks]</i></p> <p>[the only means through which a Holder can realise value from the Security prior to its [Exercise Date] [Redemption Date] is to sell it at its then market price in an available secondary market and that there may be no secondary market for the Securities (which could mean that an investor has to wait until redemption of the Securities to realise a greater value than its trading value);]</p> <p>[an active secondary market may never be established or may be illiquid and this may adversely affect the value at which an investor may sell its Securities (investors may suffer a partial or total loss of the amount of their investment)].]</p> <p>[BNP Paribas Arbitrage S.N.C. is required to act as market-maker in respect of the Securities. BNP Paribas Arbitrage S.N.C. will endeavour to maintain a secondary market throughout the life of the Securities, subject to normal market conditions and will submit bid and offer prices to the market. The spread between bid and offer prices may change during the life of the Securities. However, during certain periods, it may be difficult, impractical or impossible for BNP Paribas Arbitrage S.N.C. to quote bid and offer prices, and during such periods, it may be difficult, impracticable or impossible to buy or sell these Securities. This may, for example, be due to adverse market conditions, volatile prices or large price fluctuations, a large marketplace being closed or restricted or experiencing technical problems such as an IT system failure or network disruption.]</p> <p><i>[Risks relating to Underlying Reference Asset(s)]</i></p> <p>In addition, there are specific risks in relation to Securities which are linked to an Underlying Reference [(including Hybrid Securities)] and an investment in such Securities will entail significant risks not associated with an investment in a conventional debt security. Risk factors in relation to Underlying Reference linked Securities include:</p> <p><i>[Insert in the case of Index Securities: exposure to one or more index, adjustment events and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</i></p> <p><i>[Insert in the case of Share Securities: exposure to one or more share(s) (including shares which are attached to each other trading as a single unit ("Stapled Shares")) similar market risks to a direct investment in an equity, global depositary receipt ("GDR") or American depositary receipt ("ADR"),</i></p>

Element	Title	
		<p>potential adjustment events or extraordinary events affecting shares and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</p> <p><i>[Insert in the case of Commodity Securities: exposure to one or more commodity and/or commodity index, similar market risks to a direct commodity investment, market disruption and adjustment events which may have an adverse effect on the value or liquidity of the Securities, delays to the determination of the final level of a commodity index resulting in delays to the payment of the Cash Settlement Amount]</i></p> <p><i>[Insert in the case of ETI Securities: exposure to one or more interests in an exchange traded fund, exchange traded note, exchange traded commodity or other exchange traded product (each an "exchange traded instrument" or "ETI"), similar market risks to a direct investment in an exchange traded instrument, that the amount payable on ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s), potential adjustment events or extraordinary events affecting exchange traded instruments and market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</i></p> <p><i>[Insert in the case of Currency Securities: exposure to a currency, similar market risks to a direct currency investment and market disruption]</i></p> <p><i>[Insert in the case of Futures Securities: exposure to a futures contract, similar market risks to a direct futures contract investment, market disruption or failure to open of an exchange which may have an adverse effect on the value and liquidity of the Securities]</i></p> <p><i>[Insert in the case of Debt Securities: exposure to a debt instrument, similar market risks to a direct debt instrument investment and market disruption]</i></p> <p><i>[Insert in the case of Debt Securities or Index Securities where Futures Price Valuation is applicable: exposure to a futures or options contract relating to [Insert in the case of Debt Securities: a synthetic debt instrument][Insert in the case of Index Securities: an index], similar market risks to a direct investment in such futures or options contract and market disruption]</i></p> <p>[and that the Issuer will not provide post-issuance information in relation to the Underlying Reference].</p> <p><i>[Risks relating to specific types of products]</i></p> <p>[The following risks are associated with ETS Products]</p> <p>[Yield Enhancement Products]</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [a cap] [and][,] [knock-out] [and]</p>

Element	Title	
		<p>[automatic early redemption] features].]</p> <p>[Participation Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in][knock-out][automatic early redemption] features].]</p> <p>[Leverage Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) [and the application of [knock-in][knock-out][automatic early redemption] features]. Additionally, the return may depend on other market factors such as interest rates, the implied volatility of the Underlying Reference(s) and the time remaining until [redemption] [exercise (in the case of European Style Warrants)]. The effect of leverage on the Securities may be either positive or negative.]</p> <p>[Constant Leverage Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the daily performance of the Underlying Reference(s) and the operation of an automatic early redemption feature. Constant Leverage Products are generally suited to short term investments intraday or over a few days. Investments held for a longer period of time may be affected by volatile market conditions which may have a negative impact on the performance of the Underlying Reference(s).]</p> <p>[The following risks are associated with SPS Products:</p> <p>[Reverse Convertible Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in event occurs.]</p> <p>[Vanilla Products</p> <p>Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) [and the application of [knock-in][knock-out] features.]]</p> <p><i>[Summarise any further risks from the Risks section of the Base Prospectus relevant to a specific issue of Securities.]]</i></p>
<b>D.6</b>	Risk warning	<p>See Element D.3 above.</p> <p>In the event of the insolvency of an Issuer or if it is otherwise unable or unwilling to repay the Securities when repayment falls due, an investor may</p>

Element	Title	
		<p>lose all or part of his investment in the Securities. If the Securities are guaranteed and the Guarantor is unable or unwilling to meet its obligations under the Guarantee when due, an investor may lose all or part of his investment in the Securities. In addition, in the case of Securities linked to an Underlying Reference, investors may lose all or part of their investment in the Securities as a result of the terms and conditions of those Securities.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[See Element D.3 above.]</p> <p>In the event of the insolvency of the Issuer or if it is otherwise unable or unwilling to repay the Securities when repayment falls due, an investor may lose all or part of his investment in the Securities.</p> <p>[Insert where BNPP B.V. is the Issuer: If the Guarantor is unable or unwilling to meet its obligations under the Guarantee when due, an investor may lose all or part of his investment in the Securities.]</p> <p>[In the case of Securities which are not principal protected insert: In addition, investors may lose all or part of their investment in the Securities as a result of the terms and conditions of the Securities.]</p>

## Section E - Offer

Element	Title	
E.2b	Reasons for the offer and use of proceeds	<p>The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[The net proceeds from the issue of the Securities will become part of the general funds of the Issuer. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.] / [●].</p>
E.3	Terms and conditions of the offer	<p>Under the programme, the Securities may be offered to the public in a Non-exempt Offer in Belgium, Denmark, Finland, France, Luxembourg, the Netherlands, Norway, Spain and Sweden.</p> <p>The terms and conditions of each offer of Securities will be determined by agreement between the Issuer and the relevant Managers at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any Securities in a Non-exempt Offer from an Authorised Offeror will do so, and offers and sales of such Securities to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[This issue of Securities is being offered in a Non-exempt Offer in <i>[specify particular country/ies]</i>.]</p> <p>The issue price of the Securities is [●] per cent. of their nominal amount.</p>
E.4	Interest of natural and legal persons involved in the issue/offer	<p>The relevant Managers may be paid fees in relation to any issue of Securities under the Programme. Any such Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor (if any) and their affiliates in the ordinary course of business.</p> <p>Various entities within the BNPP Group (including the Issuers and Guarantor) and Affiliates may undertake different roles in connection with the Securities, including Issuer of the Securities, Calculation Agent of the Securities, Reference Rate Determination Agent or Underlying Reference Rate Determination Agent, issuer, sponsor or calculation agent of the Underlying Reference(s) and may also engage in trading activities (including hedging activities) relating to the Underlying Reference and other instruments or derivative products based on or relating to the Underlying Reference which may give rise to potential conflicts of interest.</p>



Element	Title	
		<p>The Calculation Agent, the Reference Rate Determination Agent or the Underlying Reference Rate Determination Agent may be an Affiliate of the relevant Issuer or Guarantor (if any) and potential conflicts of interest may exist between the Calculation Agent, the Reference Rate Determination Agent, the Underlying Reference Rate Determination Agent and holders of the Securities.</p> <p>The Issuers, Guarantor and their Affiliates may also issue other derivative instruments in respect of the Underlying Reference and may act as underwriter in connection with future offerings of shares or other securities relating to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies.</p> <p>In respect of ETI Securities, the relevant Issuer, the Guarantor or one or more of their Affiliates may from time to time engage in business with the relevant ETI or companies in which an ETI invests and may be paid for the provision of such services. This business could present certain conflicts of interest.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[The Managers will be paid aggregate commissions equal to [●] per cent. of the [nominal amount] [issue price] of the Securities.] [Any Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business.]</p> <p>[Other than as mentioned above,[ and save for [<i>specify any other interest that is material</i>],] so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.]]</p>
<b>E.7</b>	Expenses charged to the investor by the Issuer	<p>It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of Securities under the Programme.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>No expenses are being charged to an investor by the Issuer.</p>

## RISKS

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

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

### **Risks Relating to BNPP and its Industry**

For a comprehensive description of the risks relating to the BNP Paribas Group, see "Top and Emerging Risks" under Chapter 5 on pages 283 to 286 of the BNPP 2018 Registration Document (in English) which is incorporated by reference in this Base Prospectus and which discloses all material risks relating to BNPP's ability to fulfil its obligations under the Securities.

### **Risk Factors**

#### **Risks Related to the Macroeconomic Environment**

*Adverse economic and financial conditions have in the past had and may in the future have an impact on BNPP and the markets in which it operates.*

BNPP's business is sensitive to changes in the financial markets and more generally to economic conditions in France, Europe and the rest of the world. A deterioration in economic conditions in the markets where BNPP operates could have some or all of the following impacts:

- Adverse economic conditions could affect the business and operations of BNPP's customers, reducing credit demand and trading volume and resulting in an increased rate of default on loans and receivables;
- A decline in market prices of bonds, shares and commodities could impact many of the businesses of BNPP, including in particular trading, investment banking and asset management revenues;
- Macroeconomic policies adopted in response to actual or anticipated economic conditions could have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn could affect BNPP's businesses that are most exposed to market risk;
- Perceived favourable economic conditions generally or in specific business sectors could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable;
- A significant economic disruption (such as the global financial crisis of 2008 or the European sovereign debt crisis of 2011) could have a severe impact on all of BNPP's activities, particularly if the disruption is characterised by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all;
- A significant deterioration of market and economic conditions resulting from, among other things, from adverse political and geopolitical events such as natural disasters, societal unrest, geopolitical tensions (in particular protectionist measures), acts of terrorism, cyber attacks, military conflicts or threats

thereof and related risks could affect the operating environment for financial institutions episodically or for extended periods.

European markets may be affected by a number of factors in 2019, including continuing uncertainty resulting from the decision of the United Kingdom to leave the European Union and uncertain political and economic conditions in certain large European countries. Markets in the United States may be affected by factors, such as trade policy or a tendency towards political stalemate, which has affected credit and currency markets globally. Asian markets could be impacted by factors such as slower than expected economic growth rates in certain countries in the region.

Share prices have recently experienced significant volatility, which may occur again. Credit markets and the value of fixed income assets could be adversely affected if interest rates were to rise as central banks continue to scale back the extraordinary support measures put in place in response to recent adverse economic conditions. The price of oil has been particularly volatile in recent months, and could be impacted by unpredictable geopolitical factors in regions such as the Middle East and Russia.

More generally, increased volatility of financial markets could adversely affect BNPP's trading and investment positions in the debt, currency, commodity and equity markets, as well as its positions in other investments. Severe market disruptions and extreme market volatility have occurred in recent years and may occur again in the future, which could result in significant losses for BNPP. Such losses may extend to a broad range of trading and hedging products, including swaps, forward and future contracts, options and structured products. The volatility of financial markets makes it difficult to predict trends and implement effective trading strategies.

It is difficult to predict when economic or market downturns will occur, and which markets will be most significantly impacted. If economic or market conditions in France or elsewhere in Europe, or global markets more generally, were to deteriorate or become more volatile, BNPP's operations could be disrupted, and its business, results of operations and financial condition could be adversely affected.

***Given the global scope of its activities, BNPP may be vulnerable to certain political, macroeconomic or financial risks in the countries and regions where it operates.***

BNPP is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given foreign country in which it operates, could affect its business and results. BNPP monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. In addition, factors specific to a country or region in which BNPP operates could make it difficult for it to carry out its business and lead to losses or impairment of assets.

As of 31 December 2018, 32% of BNPP's credit exposure was comprised of exposures in France, 14% in Belgium and Luxembourg, 10% in Italy, 19% in other European countries, 13% in North America and 6% in Asia. Adverse conditions that particularly affect these countries and regions would have a particularly significant impact on BNPP. In addition, the Group has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

***BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.***

The financial crisis, the euro zone sovereign debt crisis as well as the general macroeconomic environment have at times adversely affected the availability and cost of funding for European banks in recent years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to exposure to sovereign

debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including BNPP, at various points experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the European Central Bank (the “ECB”) at times increased substantially. If such adverse credit market conditions were to reappear in the event of prolonged stagnation of growth, deflation, resurgence of the financial crisis, the sovereign debt crisis or new forms of financial crises, factors relating to the financial industry in general or to BNPP in particular, the effect on the liquidity of the European financial sector in general and BNPP in particular could be materially adverse and have a negative impact on BNPP’s results of operations and financial condition.

***The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.***

Since the 2008-2009 financial crisis, global markets have been characterized by an extended period of low interest rates. If the low interest rate environment continues, BNPP’s profitability may be affected. During such periods, interest rate spreads tend to tighten, and BNPP may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. In addition, BNPP has been facing and may continue to face an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing low market interest rates, has resulted and may continue to result in a decrease in the average interest rate of BNPP’s portfolio of loans thereby causing a decline in BNPP’s net interest income from its lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by BNPP from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Low interest rates may also negatively affect the profitability of BNPP’s insurance activities, which may not be able to generate sufficient returns to be competitive with other investment products. Low interest rates may also adversely affect commissions charged by BNPP’s asset management subsidiaries on money market and other fixed income products. A reduction in credit spreads and decline in retail banking income resulting from lower portfolio interest rates may adversely affect the profitability of BNPP’s retail banking operations.

On the other hand, the end of a period of prolonged low interest rates, in particular due to tightening monetary policy, also carries risks. In this respect, the U.S. Federal Reserve is currently tightening its monetary policy and the ECB announced the end of its quantitative easing policy in December 2018, which could result in an increase in interest rates in the future. If market interest rates were to rise, a portfolio featuring significant amounts of lower interest loans and fixed income assets would be expected to decline in value. If BNPP’s hedging strategies are ineffective or provide only a partial hedge against such a change in value, BNPP could incur losses. Any sharper or more rapid than expected tightening could have a negative impact on the economic recovery. On the lending side, it could in particular cause stress in loan and bond portfolios, possibly leading to an increase in non performing exposures and defaults. More generally, the ending of accommodative monetary policies (including liquidity infusions from central bank asset purchases) may lead to severe corrections in certain markets or asset classes (e.g. non-investment grade corporate and sovereign borrowers, certain sectors of equities and real estate) that particularly benefitted (including from very low risk premia as compared to historical averages) from the prolonged low interest rate and high liquidity environment, and such corrections could potentially be contagious to financial markets generally, including through substantially increased volatility.

## **Risks Related to the Market Environment**

### ***Significant interest rate changes could adversely affect BNPP's revenues or profitability.***

The amount of net interest income earned by BNPP during any given period significantly affects its overall revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond BNPP's control, such as the rate of inflation, country-specific monetary policies and certain decisions concerning regulatory capital. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in net interest income from BNPP's lending activities. In addition, increases in the interest rates at which BNPP's short-term funding is available and maturity mismatches may adversely affect its profitability.

### ***The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.***

BNPP's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, may lead to market-wide liquidity problems and could lead to further losses or defaults. BNPP has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. BNPP may also be exposed to risks related to the increasing involvement in the financial sector of players and the introduction of new types of transactions subject to little or no regulation (e.g. unregulated funds, trading venues or crowdfunding platforms). Credit and counterparty risks could be exacerbated if the collateral held by BNPP cannot be realised upon or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to BNPP or in case of a failure of a significant financial market participant such as a central counterparty. It is worth noting in this respect that regulatory changes requiring mandatory clearing of standardised over-the-counter ("OTC") derivatives through central counterparties have resulted in an increase of the exposure of financial market participants to such central counterparties.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including BNPP, announced losses or exposure to losses in substantial amounts. BNPP remains the subject of various claims in connection with the Madoff matter; see Note 8.b "Contingent liabilities: legal proceedings and arbitration" to the BNPP 2018 Registration Document (in English) as of and for the period ended 31 December 2018.

There can be no assurance that any losses resulting from the risks summarised above will not materially and adversely affect BNPP's results of operations.

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

BNPP maintains trading and investment positions in the debt, currency, commodity and equity markets, and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, i.e., the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover, volatility trends that prove

substantially different from BNPP's expectations may lead to losses relating to a broad range of other products that BNPP uses, including swaps, forward and futures contracts, options and structured products.

To the extent that BNPP owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that BNPP has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose it to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. BNPP may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or from which it expects to gain based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that BNPP did not anticipate or against which it is not hedged, BNPP might realise a loss on those paired positions. Such losses, if significant, could adversely affect BNPP's results and financial condition.

The Group uses a "value at risk" model to quantify its exposure to potential losses from market risks, and also performs stress testing with a view to quantifying its potential exposure in extreme scenarios. However, these techniques rely on statistical methodologies based on historical observations, which may turn out to be unreliable predictors of future market conditions. Accordingly, the Group's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

***BNPP may generate lower revenues from commission and fee-based businesses during market downturns.***

Financial and economic conditions affect the number and size of transactions for which BNPP provides securities underwriting, financial advisory and other investment banking services. These revenues, which include fees from these services, are directly related to the number and size of the transactions in which it participates and can thus be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that BNPP charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues BNPP receives from its asset management, equity derivatives and private banking businesses. Independently of market changes, below-market performance by BNPP's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues BNPP receives from its asset management business. BNPP experienced some or all of these effects during the various significant market downturns of recent years and could experience them again in future market downturns, which may occur periodically and unexpectedly.

***Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.***

In some of BNPP's businesses, particularly Global Markets and Asset/Liability Management, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if BNPP cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that BNPP calculates using models rather than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant losses that BNPP did not anticipate.

***BNPP must ensure that its assets and liabilities properly match in order to avoid exposure to losses.***

BNPP is exposed to the risk that the maturity, interest rate or currencies of its assets might not match those of its liabilities. The timing of payments on many of BNPP's assets is uncertain, and if BNPP receives lower revenues than expected at a given time, it might require additional funding from the market in order to meet its

obligations on its liabilities. While BNPP imposes strict limits on the gaps between its assets and its liabilities as part of its risk management procedures, it cannot be certain that these limits will be fully effective to eliminate potential losses arising from asset and liability mismatches.

## **Regulatory Risks**

*Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact BNPP and the financial and economic environment in which it operates.*

Laws and regulations have been enacted in the past few years or could be adopted, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the measures has changed substantially the environment in which BNPP and other financial institutions operate. The measures that have been or may be proposed and adopted include:

- more stringent capital and liquidity requirements (particularly for global systemically important banks such as BNPP), as well as changes to the risk-weighting methodologies and the methods of using internal models that could lead to increased capital requirements;
- restrictions on certain types of activities considered as speculative undertakings by commercial banks that are prohibited or need to be ring fenced in subsidiaries (particularly proprietary trading) and are subject to prudential requirements and autonomous financing;
- restrictions or prohibitions on certain types of financial products or activities, enhanced recovery and resolution regimes, in particular the Bank Recovery and Resolution Directive of 15 May 2014, as amended, (the "**BRRD**"), which strengthens powers to prevent and resolve banking crises in order to ensure that losses are borne largely by the creditors and shareholders of the banks and in order to keep the costs incurred by taxpayers to a minimum;
- the establishment of the national resolution funds by the BRRD and the creation of the Single Resolution Board (the "**SRB**") by the European Parliament and Council of the European Union in a resolution dated 15 July 2014, which can initiate resolution proceedings for banking institutions such as BNPP, and the Single Resolution Fund (the "**SRF**"), whose financing is provided for by BNPP (up to its annual contribution) and can be significant;
- the establishment of national deposit guarantee schemes and a proposed European deposit guarantee scheme or deposit insurance which will gradually cover all or part of the guarantee schemes of participating countries;
- increased internal control and reporting requirements with respect to certain activities;
- more stringent governance and conduct of business rules and restrictions and increased taxes on employee compensation over specified levels;
- measures to improve the transparency, efficiency and integrity of financial markets and in particular the regulation of high frequency trading, more extensive market abuse regulations, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over the counter derivative transactions (including through posting of collateral in respect of non centrally cleared derivatives);
- the taxation of financial transactions;

- enhanced privacy and cybersecurity requirements; and
- strengthening the powers of supervisory bodies, such as the French Prudential Supervision and Resolution Authority (the "ACPR") and the creation of new authorities, including the adoption of the Single Resolution Mechanism in October 2013, which placed BNPP under the direct supervision of the ECB as of November 2014.

It is impossible to predict what additional measures will be adopted and, given the complexity and continuing uncertainty of a certain number of these measures, to determine their impact on BNPP. The cumulative effect of these measures, whether already adopted or in the process of being adopted, has been and could continue to be a decrease in BNPP's ability to allocate its capital and capital resources to financing, limit its ability to diversify risks, reduce the availability of certain financing and liquidity resources, increase the cost of financing, increase the cost or reduce the demand for the products and services offered by BNPP, require BNPP to proceed with internal reorganizations, structural changes or reallocations, affect the ability of BNPP to carry on certain activities or to attract and/or retain and, more generally, affect its competitiveness and profitability, which could have an impact on its profitability, financial condition and operating results.

***BNPP could become subject to a resolution proceeding.***

The BRRD and the Ordinance of 20 August 2015 confer upon the ACPR or the SRB the power to commence resolution proceedings for a banking institution, such as BNPP, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalize or restore the viability of the institution.

These powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), then by the holders of senior non preferred debt and finally by the holders of senior preferred debt, all in accordance with the order of their claims in normal insolvency proceedings.

Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager (*administrateur special*).

Certain powers, including the full or partial write down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write down or conversion into equity of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers with respect to BNPP may result in significant structural changes to the Group (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write down, modification or variation of claims of shareholders and creditors. Such powers may also result, after any transfer of all or part of BNPP's business or separation of any of its assets, in the holders of securities (even in the absence of any such write down or conversion) being left as the creditors of BNPP whose remaining business or assets are insufficient to support the claims of all or any of the creditors of BNPP.



***BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.***

BNPP faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following:

- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which the Group operates;
- changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks;
- changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations;
- changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds;
- changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories and payment and settlement systems;
- changes in the regulation of payment services, crowdfunding and fintech;
- changes in the regulation of data privacy and cybersecurity;
- changes in tax legislation or the application thereof;
- changes in accounting norms;
- changes in rules and procedures relating to internal controls, risk management and compliance; and
- expropriation, nationalisation, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership.

These changes, the scope and implications of which are highly unpredictable, could substantially affect BNPP and have an adverse effect on its business, financial condition and results of operations. Some reforms not aimed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect BNPP's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

***BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.***

BNPP is exposed to regulatory compliance risk, i.e. the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to BNPP's reputation and private rights of action (including class actions), non-compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme

cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions, as well as substantial increases in the quantum of applicable fines and penalties. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, BNPP faces significant legal risk in its business, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further.

In this respect, on 30 June 2014 BNPP entered into a series of agreements with, and was the subject of several orders issued by, U.S. federal and New York state government agencies and regulatory authorities in settlement of investigations into violations of U.S. laws and regulations regarding economic sanctions. The fines and penalties imposed on BNPP as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to \$8.97 billion (€6.6 billion) and guilty pleas by BNP Paribas S.A., the parent company of the BNP Paribas group, to charges of having violated U.S. federal criminal law and New York State criminal law. Following this settlement, BNPP remains subject to increased scrutiny by regulatory authorities (including via the presence within BNPP of an independent consultant) who are monitoring its compliance with a remediation plan agreed with them.

BNPP is currently involved in various litigations and investigations as summarised in Note 8.b "Contingent liabilities: legal proceedings and arbitration" to the BNPP 2018 Registration Document (in English). It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on BNPP's operating results for any particular period.

### **Risks Related to the Implementation of BNPP's Strategy**

#### ***Risks related to the implementation of BNPP's strategic plans.***

BNPP announced a strategic plan for the 2017-2020 period on 7 February 2017. This plan contemplates a number of initiatives, including the implementation of new customer pathways, the digital transformation of BNPP, continuing to improve operating efficiency and various business development initiatives. BNPP closely monitors these initiatives and provided an update on its 2020 targets on 6 February 2019.

The plan also includes a number of financial targets and objectives relating to net banking income, operating costs, net income, capital adequacy ratios and return on equity, among other things. These financial targets and objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions.

BNPP's actual results could vary significantly from these targets and objectives for a number of reasons, including the occurrence of one or more of the risks described elsewhere in this section.

Additionally, as part of BNPP's commitment to environmental responsibility within its corporate social responsibility policy, it has announced a number of initiatives to support the energy transition towards a low-carbon economy, including a reduction in financing for energies with the most negative environmental impact. These measures (and any future ones along similar lines) may in certain cases adversely affect BNPP's results in the relevant sectors.

#### ***BNPP may experience difficulties integrating acquired companies and may be unable to realise the benefits expected from its acquisitions.***

BNPP makes acquisitions on a regular basis. Integrating acquired businesses is a long and complex process. Successful integration and the realisation of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective

recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realisation. Moreover, the integration of BNPP's existing operations with those of the acquired operations could interfere with the respective businesses and divert management's attention from other aspects of BNPP's business, which could have a negative impact on the business and results of BNPP. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although BNPP undertakes an in-depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. As a result, BNPP may increase its exposure to doubtful or troubled assets and incur greater risks as a result of its acquisitions, particularly in cases in which it was unable to conduct comprehensive due diligence prior to the acquisition.

### **Risks Related to the Management of BNPP's Business**

#### ***BNPP is exposed to credit risk and counterparty risk.***

As a credit institution, BNPP is exposed to the creditworthiness of its customers and counterparties. These risks impact the Group's consolidated financial statements when a customer or counterparty is unable to honour its obligations and when the book value of these obligations in BNPP's records is positive. The customer or counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government and its various entities, an investment fund, or a natural person. If the level of customer or counterparty defaults increases compared to recent historically low levels, BNPP may have to record significant charges for possible bad and doubtful debts, affecting its profitability.

While BNPP seeks to reduce its exposure to credit risk and counterparty risk by using risk mitigation techniques such as collateralization, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, BNPP is exposed to the risk of default by the party providing the credit risk coverage (such as a counterparty on derivatives) or to the risk of loss of value of any collateral. In addition, only a portion of BNPP's overall credit risk and counterparty risk is covered by these techniques. Accordingly, BNPP has significant exposure to these risks.

#### ***A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition.***

In connection with its lending activities, BNPP regularly establishes provisions for loan losses, which are recorded in its profit and loss account under "cost of risk". BNPP's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans or statistical analysis based on scenarios applicable to different asset classes. Although BNPP seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in BNPP's estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on BNPP's results of operations and financial condition.

#### ***BNPP's hedging strategies may not prevent losses.***

If any of the variety of instruments and strategies that BNPP uses to hedge its exposure to various types of risk in its businesses is not effective, BNPP may incur losses. Many of its strategies are based on historical trading

patterns and correlations. For example, if BNPP holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating BNPP's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of BNPP's hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in BNPP's reported earnings.

***Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity.***

The carrying value of BNPP's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. Most of the adjustments are made on the basis of changes in fair value of its assets or its debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect its consolidated revenues and, as a result, its net income. All fair value adjustments affect shareholders' equity and, as a result, its capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

***The credit ratings of BNPP may be downgraded, which would weigh on its profitability.***

Credit ratings have a significant impact on BNPP's liquidity. A downgrade in BNPP's credit rating could affect its liquidity and competitive position. It could also increase BNPP's borrowing costs, limit access to the capital markets or trigger additional obligations under its covered bonds or under certain bilateral provisions in some trading, derivative or collateralized financing contacts.

In addition, BNPP's cost of obtaining long term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase BNPP's cost of funding. Changes in credit spreads are continuous, market driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of BNPP's creditworthiness. Furthermore, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to BNPP's debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of the Group.

***Intense competition by banking and non banking operators could adversely affect BNPP's revenues and profitability.***

Competition is intense in all of BNPP's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area or as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding platforms. In particular, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g., debt funds, shadow banks), or benefiting from economies of scale, data synergies or technological innovation (e.g., internet and mobile operators, digital platforms, fintechs), could be more competitive by offering lower prices or more innovative services. In addition, new payment systems and crypto-currencies, such as Bitcoin, and new technology that facilitate transaction processes, such as blockchain, have developed in recent years. While it is difficult to predict the effects of these emerging technologies as well as any applicable regulations, their use could nevertheless reduce BNPP's market share or secure investments that otherwise would have used technology used by more established financial institutions, such as BNPP. If

BNPP is unable to respond to the competitive environment in France or in its other major markets by offering attractive, innovative and profitable product and service solutions, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for BNPP and its competitors. It is also possible that the imposition of more stringent requirements (particularly capital requirements and business restrictions) on large or systemically significant financial institutions, could lead to distortions in competition in a manner adverse to large private sector institutions such as BNPP.

### **Risks Related to BNPP's Operations**

***BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.***

BNPP has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, BNPP's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that BNPP may have failed to identify or anticipate. BNPP's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of BNPP's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. BNPP applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process BNPP uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, e.g., if BNPP does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit BNPP's ability to manage its risks. BNPP's losses could therefore be significantly greater than the historical measures indicate. In addition, BNPP's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

***An interruption in or a breach of BNPP's information systems may cause substantial losses of client or customer information, damage to BNPP's reputation and financial losses.***

As with most other banks, BNPP relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, and the development of cloud computing and blockchain technologies. Any failure or interruption or breach in security of these systems could result in failures or interruptions in BNPP's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems or could cause BNPP to incur significant costs in recovering and verifying lost data. BNPP cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed.

In addition, BNPP is subject to cybersecurity risk, or risk caused by a malicious and/or fraudulent act, committed virtually, with the intention of manipulating information (confidential data, bank/insurance, technical or strategic), processes and users, in order to cause material losses to the Group's subsidiaries, employees, partners and clients. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to

obtain unauthorised access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognised until launched against a target. BNPP and its third party service providers may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures. Any failures of or interruptions in BNPP's information systems or those of its providers and any subsequent disclosure of confidential information related to any client, counterpart or employee of BNPP (or any other person) or any intrusion or attack against BNPP's communication system could cause significant losses and have an adverse effect on BNPP's reputation, financial condition and results of operations.

Moreover, BNPP is exposed to the risk of operational failure or interruption of a clearing agent, foreign markets, clearing houses, custodian banks or any other financial intermediary or external service provider used by BNPP to execute or facilitate financial transactions. Due to its increased interaction with clients, BNPP is also exposed to the risk of operational malfunction of the latter's information systems. The Group's communications and data systems and those of its clients, service providers and counterparties may also be subject to malfunctions or interruptions by as a result of cyber-crime or cyber-terrorism. BNPP cannot guarantee that these malfunctions or interruptions in its own systems or those of other parties will not occur or that in the event of a cyberattack, these malfunctions or interruptions will be adequately resolved.

*BNPP's competitive position could be harmed if its reputation is damaged.*

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to BNPP's ability to attract and retain customers. BNPP's reputation could be harmed if it fails to adequately promote and market its products and services. BNPP's reputation could also be damaged if, as it increases its client base and the scale of its businesses, BNPP's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address conflicts of interest properly. At the same time, BNPP's reputation could be damaged by employee misconduct, fraud or misconduct by market participants to which BNPP is exposed, a decline in, a restatement of, or corrections to its financial results, as well as any adverse legal or regulatory action such as the settlement BNPP entered into in with the U.S. authorities for violations of U.S. laws and regulations regarding economic sanctions. Such risks to reputation have recently increased as a result of the growing use of social networks within the economic sphere. The loss of business that could result from damage to BNPP's reputation could have an adverse effect on its results of operations and financial position.

### **Risks Relating to BNPP B.V.**

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

#### ***Dependency Risk***

BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNPP Group entities. The ability of BNPP B.V. to meet its own obligations will depend on the ability of other BNPP Group entities to fulfil their obligations. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNPP Group entities. Consequently, Holders of securities issued by BNPP B.V. will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNPP Group entities to perform their obligations under such hedging agreements.

### *Credit risk*

BNPP B.V. has significant concentration of credit risks as all OTC contracts, option and swap agreements are acquired from its parent company and other BNPP Group entities and such credit risks amount to EUR 56.2 billion as at 31 December 2018.

### *Liquidity risk*

BNPP B.V. has significant liquidity risk exposure. To mitigate this exposure, BNPP B.V. entered into netting agreements with its parent company and other BNPP Group entities. The remaining risk amounts to EUR 2.7 million as at 31 December 2018.

## **RISKS RELATING TO SECURITIES**

### **1. General**

The Securities involve a high degree of risk, which may include (in addition to the risks relating to the Issuer (including the default risk) and Guarantor's (if any) ability to fulfil their obligations under the Securities to investors) price risks associated with the Underlying Reference (as defined below), among others, interest rate, foreign exchange, inflation, correlation, time value and political risks. Prospective purchasers of Securities should recognise that their Securities may expire worthless or be redeemed for no value. Purchasers should be prepared to sustain a total loss of the purchase price of their Securities. See "*Certain Factors Affecting the Value and Trading Price of Securities*" below. Prospective purchasers of Securities should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Securities and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Securities and the particular underlying index (or basket of indices), share (including shares which are attached to each other trading as a single unit ("**Stapled Shares**")), GDR or ADR (or basket of shares (including Stapled Shares), GDRs and/or ADRs), interests in exchange traded funds, exchange traded notes, exchange traded commodities or other exchange traded products (each an "**exchange traded instrument**" or "**ETI**") (or basket of interests in exchange traded instruments), debt instrument (or baskets of debt instruments) commodity or commodity index (or basket of commodities and/or commodity indices), currency (or basket of currencies), futures contracts (or basket of futures contracts), as specified in the applicable Final Terms (such reference being the "**Underlying Reference**").

The exposure to the Underlying Reference in many cases will be achieved by the relevant Issuer entering into hedging arrangements. Potential investors should be aware that under the terms of Underlying Reference linked Securities they are exposed to the performance of these hedging arrangements and the events that may affect these hedging arrangements and consequently the occurrence of any of these events may affect the value of the Securities.

The risk of the loss of some or all of the purchase price of a Security on expiration or redemption means that, in order to recover and realise a return upon his or her investment, a purchaser of a Security must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Underlying Reference which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the lower the value of a Security and the shorter the remaining term of a Warrant to expiration or a Certificate to redemption, the greater the risk that purchasers of such Securities will lose all or part of their investment. With respect to Certificates or European Style Warrants, the only means through which a Holder can realise value from the Warrant or Certificate, as the case may be, prior to its Exercise Date or Redemption Date in relation to such Warrant or

Certificate, as the case may be, is to sell it at its then market price in an available secondary market. See "*Possible Illiquidity of the Securities in the Secondary Market*" below.

Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Securities. Fluctuations in the price of the relevant share (including Stapled Shares), GDR or ADR or value of the basket of shares (including Stapled Shares), GDRs and/or ADRs will affect the value of Share Securities. Fluctuations in the rates of exchange between the relevant currencies will affect the value of Currency Securities. Fluctuations in the price or yield of the relevant debt instrument or value of the basket of debt instruments will affect the value of Debt Securities. Fluctuations in the price of the relevant interest in an exchange traded instrument or value of the basket of interests in exchange traded instruments will affect the value of ETI Securities. Also, the character of the particular market on which a debt instrument is traded, the absence of last sale information and the limited availability of quotations for such debt instrument may make it difficult for many investors to obtain timely, accurate data for the price or yield of such debt instrument. Fluctuations in the value of the relevant commodity or commodity index or basket of commodities and/or commodity indices will affect the value of Commodity Securities. Fluctuations in the value of the relevant futures contracts or basket of futures contracts will affect the value of the Futures Securities. In the case of Hybrid Securities the Underlying Reference in respect of which is any combination of such indices, shares (including Stapled Shares), GDRs, ADRs, interests in exchange traded instruments ("**ETI Interests**"), debt instruments, commodities, currencies, futures contracts, underlying interest rate or any other asset class or type, fluctuations in the value of any one or more of such Underlying References will correspondingly affect the value of Hybrid Securities. Purchasers of Securities risk losing their entire investment if the value of the relevant Underlying Reference does not move in the anticipated direction.

Each Issuer may issue several issues of Securities relating to various Underlying References. However, no assurance can be given that the relevant Issuer will issue any Securities other than the Securities to which a particular Final Terms relates. At any given time, the number of Securities outstanding may be substantial. Securities provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying investment. In general, certain of the risks associated with Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. Securities on shares, interests in exchange traded instruments or debt instruments are priced primarily on the basis of the value of underlying securities, whilst Securities on currencies and commodities are priced primarily on the basis of present and expected values of the reference currency (or basket of currencies) or commodity (or basket of commodities) specified in the applicable Final Terms.

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

The Securities do not represent a claim against any Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference) and Holders will not have any right of recourse under the Securities to any such Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference). The Securities are not in any way sponsored, endorsed or promoted by any issuer, sponsor, manager or other connected person in respect of an Underlying Reference and such entities have no obligation to take into account the consequences of their actions on any Holders.

#### *Securities are Unsecured Obligations*

The Securities are unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* with themselves (in relation to Securities issued by BNPP, the term "unsubordinated obligations" refers to senior preferred obligations which fall or are expressed to fall within the category of



obligations described in Article L.613-30-3-I-3° of the French *Code monétaire et financier*). Each issue of Securities issued by BNPP B.V. will be guaranteed by BNPP pursuant to the Guarantee. The obligations of BNPP under the Guarantee are senior preferred obligations (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and unsecured obligations of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations, subject as may from time to time be mandatory under French law.

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

The trading price of the Securities is affected by a number of factors including, but not limited to, the price or level of the relevant Underlying Reference or Underlying References, the time to expiration or redemption of the Securities and the actual or implied volatility and the correlation risk of the Underlying Reference(s). Such factors may mean that the trading price of the Securities is below the Cash Settlement Amount or the value of the Entitlement, as applicable.

Before exercising (in the case of Warrants) or selling Securities, Holders should carefully consider the factors set out below, which may cause the value and trading price of the Securities to fluctuate, either positively or negatively:

- (i) the trading price of the Securities;
- (ii) the value and volatility of the Underlying Reference as specified in the applicable Final Terms. Depending on the applicable payout, movements in the value and/or volatility of the Underlying Reference may cause the value of the Securities to either rise or fall;
- (iii) the time remaining to expiration or redemption, as the case may be. Depending on the applicable payout, the value of the Securities may fluctuate as the time remaining until the scheduled expiration date decreases;
- (iv) in the case of Cash Settled Securities, the probable range of Cash Settlement Amounts;
- (v) any change(s) in currency exchange rates;
- (vi) the depth of the market or liquidity of the Underlying Reference as specified in the applicable Final Terms; and
- (vii) any related transaction costs.

Such factors may mean that the trading price of the Securities is below the Cash Settlement Amount or the value of the Entitlement, as applicable.

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

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

### *Meetings of Holders*

The Terms and Conditions of the Securities may contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting, Holders who did not consent to the Written Resolutions or Holders who voted in a manner contrary to the majority. The holders of the Securities will, in certain circumstances, be grouped for the defence of their common interests in a separate legal entity called "*Masse*" (as defined in "*Condition 9.4 Meetings of Holders*").

### *Potential Loss of the Holder's Investment in the Securities*

Each Holder may receive a Final Redemption Amount or Cash Settlement Amount, as applicable, and/or physical delivery of the Entitlement the aggregate value of which may be less than the value of the Holder's investment in the relevant Securities. In certain circumstances Holders may lose the entire value of their investment.

### *Possible Illiquidity of the Securities in the Secondary Market*

It is very difficult to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list Securities on a stock exchange. Also, to the extent Securities of a particular issue are exercised or redeemed, the number of Securities of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Securities of such issue. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities.

Each Issuer and any manager of an issue of Securities (as applicable to such issue of Securities, each a "**Manager**") may, but is not so obliged, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Securities so purchased may be held or resold or surrendered for cancellation as further described herein. A Manager may be a market-maker for an issue of Securities but it is not obliged to and may cease to do so at any time. Even if a Manager is a market-maker for an issue of Securities, the secondary market for such Securities may be limited. In addition, Affiliates of each Issuer (including the relevant Manager as referred to above) may purchase Securities at the time of their initial distribution and from time to time thereafter.

For certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required to act as market-maker. In those circumstances, BNP Paribas Arbitrage S.N.C. will endeavour to maintain a secondary market throughout the life of the Securities, subject to normal market conditions and will submit bid and offer prices to the market. The spread between bid and offer prices may change during the life of the Securities. However, during certain periods, it may be difficult, impractical or impossible for BNP Paribas Arbitrage S.N.C. to quote bid and offer prices, and during such periods, it may be difficult, impracticable or impossible to buy or sell these Securities. This may, for example, be due to adverse market conditions, volatile prices or large price fluctuations, a large marketplace being closed or restricted or experiencing technical problems such as an IT system failure or network disruption.

There may be no secondary market for the Securities and to the extent that an issue of Securities is or becomes illiquid, an investor may have to wait until redemption of such Securities, as applicable, to realise greater value than its then trading value.

### *Minimum Trading Amount*

Investors should note that the Securities may have a minimum trading amount. In such cases, if, following the transfer of any Securities, a Holder holds fewer Securities than the specified minimum

trading amount, such Holder will not be permitted to transfer their remaining Securities prior to expiration or redemption, as applicable, without first purchasing enough additional Securities in order to hold the minimum trading amount.

#### *Potential Conflicts of Interest*

Certain entities within the Group or its affiliates (including, if applicable, any Manager) may also engage in trading activities (including hedging activities) relating to the Underlying Reference or Reference Entity and other instruments or derivative products based on or relating to the Underlying Reference or Reference Entity of any Securities for their proprietary accounts or for other accounts under their management. BNPP B.V., BNPP and their Affiliates (including, if applicable, any Manager) may also issue other derivative instruments in respect of the Underlying Reference. BNPP B.V., BNPP and their Affiliates (including, if applicable, any Manager) may also act as underwriter in connection with future offerings of shares or other securities relating to an issue of Securities or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies. In addition BNPP B.V., BNPP and their Affiliates (including, if applicable, any Manager) may act in a number of different capacities in relation to an underlying index, including, but not limited to, issuer of the constituents of the index, index sponsor or calculation agent.

In respect of ETI Securities: The relevant Issuer, the Guarantor or one or more of their Affiliates may from time to time engage in business with the relevant ETI or companies in which an ETI invests, including among other things, extending loans to, or making investments in, or providing advisory services to them, including merger and acquisition advisory services, engaging in activities that may include prime brokerage business, financing transactions or entry into derivative transactions; the ETI (as defined above) may pay a portion of its fees to the relevant Issuer or any of its Affiliates for the provision of such services; in the course of this business, the relevant Issuer, the Guarantor, the Calculation Agent and any of their respective Affiliates may acquire non-public information about an ETI or any companies, funds or reference assets in which an ETI invests and the relevant Issuer, the Guarantor, the Calculation Agent or any of their respective Affiliates may publish research reports about them. This research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding ETI Securities. Such activities could present certain conflicts of interest, could influence the prices of such shares, ETI Interests (as defined above) or other securities and could adversely affect the value of such Securities. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Securities.

In respect of Securities linked to an underlying custom index, various legal entities within the Group may undertake the role of Issuer of the Securities, Calculation Agent of the Securities, sponsor of the underlying custom index and Calculation Agent of the underlying custom index. BNP Paribas has policies and procedures to identify, consider and manage potential conflicts of interest which this situation may potentially generate. Because the Calculation Agent (as defined below) may be an Affiliate of the relevant Issuer or, if applicable, the Guarantor, potential conflicts of interest may exist between the Calculation Agent and holders of the Securities, including with respect to certain determinations and judgments that the Calculation Agent must make, in particular when such determinations are complex.

In respect of Securities which pay a floating rate of interest, the Issuer, the Guarantor (if applicable) and their affiliates play a variety of roles, including acting as Calculation Agent and potentially as determination agent. In performing these duties, the economic interests of the Calculation Agent, the determination agent and other affiliates of the Issuer or Guarantor (if applicable) are potentially adverse

to the interests of Holders. The Calculation Agent will determine, among other things, the reference rate (and possibly an alternative to such reference rate in case the relevant benchmark is discontinued) or any interest determination date and the relevant rate of interest. The Calculation Agent may also appoint a determination agent (which may be the Issuer, the Guarantor (if applicable) or an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent) to determine a replacement benchmark, as well as any necessary changes to the applicable business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the replacement reference rate, as the case may be, including any adjustment needed to make such replacement reference rate comparable to the relevant reference rate if the relevant reference rate is discontinued.

The Calculation Agent is obligated to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment however, subject to always acting only within the parameters allowed by the terms and conditions of the Securities, it has no responsibility to take investors' interests into account.

#### *Certain Considerations Regarding Purchasing Securities as Hedges*

Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in the Underlying Reference which may be specified in the applicable Final Terms should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly correlate with the value of the Underlying Reference which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Securities, there is no assurance that their value will correlate with movements of the Underlying Reference which may be specified in the applicable Final Terms. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant Underlying Reference. In addition, in certain cases, the ability of Holders to use Securities for hedging may be restricted by the provisions of the Securities Act.

#### *Risk of Leveraged Exposure*

Leverage involves the use of a number of financial techniques to increase the exposure to an Underlying Reference, and can therefore magnify both returns and losses. While the use of leverage allows for potential multiples of a return (assuming a return is achieved) when the Underlying Reference moves in the anticipated direction, it will conversely magnify losses when the Underlying Reference moves against expectations. If the relevant Securities include leverage (such as OET Certificates), potential holders of such Securities should note that these Securities will involve a higher level of risk, and that whenever there are losses such losses may be higher than those of a similar security which is not leveraged. Investors should therefore only invest in leveraged Securities if they fully understand the effects of leverage.

#### *Credit Ratings may not reflect all Risks*

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

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA

Regulation (and such registration has not been withdrawn or suspended, subject to transactional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

#### *Effect of Credit Rating Reduction*

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

*The terms of the Securities contain no negative pledge, and the Issuer is not prohibited from incurring additional debt.*

There is no negative pledge in respect of the Securities and the Terms and Conditions of the Securities place no restrictions on the incurrence by the Issuer or the Guarantor (if applicable) of additional obligations that rank pari passu with, or senior to, the Securities. In addition, the Issuer or the Guarantor (if applicable) may pledge assets to secure other notes or debt instruments without granting an equivalent pledge or security interest and status to the Securities.

#### *There are no events of default under the Securities*

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

#### *Taxation*

Potential purchasers and sellers of Securities should be aware that they may be required to pay stamp or taxes or documentary charges in accordance with the laws and practices of the country where the Securities are transferred and/or any asset(s) are delivered or in other countries.

### *EU financial transactions tax*

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's proposal**"), for a financial transaction tax ("**FTT**") to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). However, Estonia has since stated that it will not participate. If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, "established" in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

The FTT may give rise to tax liabilities for the relevant Issuer with respect to certain transactions if it is adopted based on the Commission's proposal. Examples of such transactions are the conclusion of a derivative contract in the context of the relevant Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets) or the exercise/settlement of a warrant. The relevant Issuer is, in certain circumstances, able to pass on any such tax liabilities to holders of the Securities and therefore this may result in investors receiving less than expected in respect of the Securities. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Securities (including secondary market transactions) if conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between participating member states. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU member states may decide to participate and/or participating Member States may decide to withdraw. Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

### *U.S. Dividend Equivalent Withholding*

Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended, imposes a 30% withholding tax on payments to non-U.S. holders in respect of amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met (such instruments, "**Specified Securities**"). If an Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section "*Taxation – U.S. Dividend Equivalent Withholding*".

For the purposes of withholding under the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, Specified Securities are subject to a different grandfathering rule than other Securities. Prospective investors should refer to the section "*Taxation – Foreign Account Tax Compliance Act*".

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

The London Inter-Bank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**") are, and other types of indices, including (but not limited to) indices comprised of interest rates, equities, commodities, commodity indices, exchange traded products, foreign exchange rates, funds and combinations of any of the preceding types of indices which may be deemed to be "benchmarks", which have been the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

Key international regulatory initiatives relating to the reform of benchmarks include IOSCO's Principles for Financial Benchmarks<sup>1</sup> (the "**IOSCO Principles**") and Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directive 2008/48/EC and 2014/17/EC and Regulation (EU) No 596/2014 (the "**Benchmarks Regulation**"). The IOSCO Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering (among other things) governance and accountability as well as the quality, integrity and transparency of benchmark design, determination and methodologies. A review published by IOSCO in February 2015 of the status of the voluntary market adoption of the IOSCO Principles noted that there has been significant but mixed progress on implementation of IOSCO Principles but that as the benchmarks industry is in a state of change, further steps may need to be taken by IOSCO in the future.

The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and has mostly applied since 1 January 2018 with the exception of certain transitional provisions (mainly on critical benchmarks) that applied from 30 June 2016. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union and among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised/registered (or, if non-EU based, deemed equivalent or recognised or endorsed). The scope of the Benchmarks Regulation is wide and, in addition to so-called "critical benchmark" indices, such as EURIBOR, applies to many other indices (including "proprietary" indices or, potentially, baskets, portfolios or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments for which a request for admission to trading on a trading venue has been made, or which are traded on a trading venue (EU regulated market, EU multilateral trading facility ("**MTF**"), EU organised trading facility ("**OTF**") or via a systematic internaliser or to measure the performance of certain investment funds with the purpose of tracking the return or defining the asset allocation or computing the performance fees. Different types of benchmark (critical benchmarks, significant benchmarks, non-significant benchmarks and interest rate benchmarks, commodity benchmarks, regulated data benchmarks) are subject to some variations to take into account their characterisation.

The Benchmarks Regulation could have a material impact on any Securities for which a request for admission to trading on a trading venue has been made, or which are traded on a trading venue or via a

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<sup>1</sup> Principles for Financial Benchmarks – Final Report - FR07/13, July 2013, as recently supplemented by IOSCO's Report on Guidance on the IOSCO Principles for Financial Benchmarks FR 13/2016 providing guidance on the statement of compliance.

"systematic internaliser" linked to, referencing or otherwise dependent (in whole or in part) upon a "benchmark" for Benchmarks Regulation purposes, including in any of the following circumstances:

- subject to any applicable transitional provisions, an index which is a "benchmark" may not be used by a supervised entity in certain ways if its administrator, or the benchmark (in the case of benchmarks provided by administrators located outside of the EU), is not entered in or is removed from ESMA's register of Benchmarks Regulation approved administrators/benchmarks (for example if the administrator does not obtain or retain authorisation or registration under the Benchmarks Regulation, or, if based in a non-EU jurisdiction, the administrator does not obtain or retain recognition or endorsement and the administrator/benchmark does not benefit from equivalence);
- the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation ; and
- the fallback provisions specified in the terms of the Securities may apply or, if Administrator/Benchmark Event is specified in the applicable Final Terms as an Optional Additional Disruption Event, the Calculation Agent may amend the terms of the Securities in the event a benchmark materially changes or ceases to be provided in order to comply with the provisions of the Benchmarks Regulation (see "Administrator/Benchmark Event" below).

Any of the above changes or any other consequential changes to any benchmark as a result of international, national or other reforms, initiatives or investigations or the general increased regulatory scrutiny of "benchmarks", could potentially have a material adverse effect on the relevant benchmark or have other unforeseen consequences, including, without limitation, that such changes could:

- affect the level of the published rate or the level of the benchmark which may have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level;
- increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with such regulations or requirements;
- discourage market participants from continuing to administer or contribute to certain "benchmarks";
- trigger changes in the rules or methodologies used in certain "benchmarks";
- lead to the disappearance of certain "benchmarks" (or certain currencies or tenors of benchmarks); or
- have other adverse effects or unforeseen consequences.

Any such consequences could have a material adverse effect on the value of and return on any Securities and/or could lead to the Securities being de-listed, adjusted, redeemed early following the occurrence of an Administrator/Benchmark Event, subject to discretionary valuation by the Calculation Agent or otherwise impacted, depending on the particular "benchmark" and the applicable terms of the Securities."

A benchmark licence may also be required for the issuance or calculation of amounts payable under any Securities referencing a benchmark. To the extent any such licence is not obtained or retained, it may not be possible for the Securities to reference the benchmark and the Securities may be adjusted or redeemed early or otherwise impacted depending on the particular "benchmark" and the applicable terms of the Securities.



Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by benchmark reforms and investigations in making any investment decision with respect to any Securities linked to or referencing a "benchmark".

#### *Administrator/Benchmark Event*

If specified as an Optional Additional Disruption Event in the applicable Final Terms, the occurrence of an Administrator/Benchmark Event may lead to early redemption or adjustment of the Securities, which may include selecting one or more successor benchmarks and making related adjustments to the Securities, including, if applicable to reflect increased costs. An Administrator/Benchmark Event may arise if any of the following circumstances occurs or will occur: (1) a benchmark is materially changed or permanently cancelled, or (2) (i) the relevant authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the benchmark or the administrator or sponsor of the benchmark is not obtained, (ii) an application for authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is rejected or (iii) any authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or inclusion in any official register is withdrawn.

#### *Future discontinuance of LIBOR or EURIBOR may adversely affect the value of the Securities*

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, and in a subsequent speech by its Chief Executive on 12 July 2018, the UK Financial Conduct Authority ("**FCA**") confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcements**"). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate ("**ESTER**") as the new risk free rate. ESTER will be an overnight euro rate, which is expected to be published by the ECB by October 2019. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, (i) that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system and (ii) although ESTER will not be available until October 2019 at the latest, market participants may wish to consider including a reference to ESTER and/or potentially to a term structure based on ESTER as an alternative fallback in their new contracts for cash products that reference EONIA and EURIBOR.

Investors should be aware that, if LIBOR or EURIBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Certificates which reference LIBOR or EURIBOR will be determined for the relevant period by the fall-back provisions applicable to such Securities. Depending on the manner in which the LIBOR or EURIBOR rate is to be determined under the Terms and Conditions, this may (i) if ISDA Determination or FBF Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR or EURIBOR rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR or EURIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Certificates which reference LIBOR or EURIBOR.

*If LIBOR, EURIBOR or any other benchmark is discontinued, the applicable floating rate of interest or Underlying Interest Rate may be changed in ways that may be adverse to Holders of such Securities*

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

The replacement rate may perform differently from the discontinued reference rate. For example, there are currently proposals to replace LIBOR (which generally has a term of one, three or six months) with an overnight rate. Similarly, proposals have been made to use a rate on highly rated government obligations to replace LIBOR, which is currently based on interbank lending rates and carries an implicit element of credit risk in the banking sector. These and other changes could significantly affect the performance of an alternative rate compared to the historical and expected performance of LIBOR. There can be no assurance that any adjustment applied to any Securities will adequately compensate for this impact. This could in turn impact the rate of interest on and trading value of the affected Securities.

If the Calculation Agent or the determination agent is unable to determine an appropriate replacement reference rate, then the relevant rate of interest for the affected Securities will not be changed. The terms of the Securities provide that, if it is not possible to determine a value for a given reference rate, the relevant reference rate on such Securities will be the last available rate plus or minus, as indicated in the applicable Final Terms, the margin, if any, effectively converting such Securities into fixed rate obligations. The conditions also provide for other fallbacks, such as consulting reference banks for rate quotations, which may not be possible if the reference banks decline to provide such quotations for a sustained period of time (or at all).

It is possible that, if a reference rate is discontinued, a clear successor rate will not be established in the market for some time. Accordingly, the terms of the Securities provide as an ultimate fallback that, following the designation of a replacement rate, if the Calculation Agent or the determination agent appointed by the Calculation Agent considers that such replacement reference rate is no longer

substantially comparable to the original reference rate or does not constitute an industry accepted successor rate, the Calculation Agent will appoint or re-appoint a determination agent (which may or may not be the same entity as the original determination agent) for the purposes of confirming the replacement reference rate or determining a substitute replacement reference rate (despite the continued existence of the initial replacement reference rate). Any such substitute replacement reference rate, once designated pursuant to the Conditions, will apply to the affected Securities. This could impact the relevant rate of interest in respect of the Securities and the trading value of the affected Securities. In addition, any Holders of such Securities that enter into hedging instruments based on the original replacement reference rate may find their hedges to be ineffective, and they may incur costs replacing such hedges with instruments tied to the new replacement reference rate.

#### *EU Resolution and Recovery Directive*

On 2 July 2014, Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system. The BRRD has been applicable in all Member States since 1 January 2015, except for the general bail-in tool which has been applicable since 1 January 2016.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business – enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridgebank" (a public controlled entity holding such business or part of a business with a view to reselling it); (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims including Securities to equity (the "**general bail-in tool**"), which equity could also be subject to any future application of the general bail-in tool.

The BRRD also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The powers set out in the BRRD impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. The impact of the BRRD and its implementing provisions on credit institutions, is currently unclear but its current and future implementation and application to any relevant Issuer and/or the Guarantor or the taking of any action under it could materially affect the activity and financial condition of any relevant Issuer or Guarantor and the value of any Securities.

As a result of the implementation of BRRD, holders of Securities may be subject to write-down or conversion into equity on any application of the general bail-in tool, which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, materially adversely affect the rights of holders of Securities, the price or value of their investment in any Securities and/or the ability of the relevant Issuer and/or the Guarantor to satisfy its obligations under any Securities and/or the Guarantee.

It should be noted that on 16 April 2019, the European Parliament has adopted the European Commission's proposals for a European Directive amending the BRRD and a European Regulation amending the Single Resolution Mechanism Regulation (Regulation 806/2014). Substantially agreed texts are only subject from now to formal approval of the Council of the European Union then legal and linguistic review, and are currently expected to be published in the Official Journal in June 2019. The provisions of the texts shall apply within 18 months from the date of their entry into force i.e. the twentieth day following that of their publication in the Official Journal of the European Union.

#### *Implementation of BRRD in France*

The implementation of the BRRD in France was made by several texts of legislative nature. Firstly, the banking law dated 26 July 2013 regarding the separation and the regulation of banking activities (*Loi de séparation et de régulation des activités bancaires*) (as modified by the *ordonnance* dated 20 February 2014 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*)) (the "**Banking Law**") had anticipated the implementation of the BRRD. Secondly, Ordinance no. 2015-1024 dated 20 August 2015 (*Ordonnance no 2015-1024 du 20 août 2015 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (the "**Ordinance**") published in the Official Journal on 21 August 2015 has introduced various provisions amending and supplementing the Banking Law to adapt French law to European Union legislation regarding financial matters. Many of the provisions contained in the BRRD were already similar in effect to provisions contained in the Banking Law. Decree no. 2015-1160 dated 17 September 2015 and three orders dated 11 September 2015 (*décret et arrêtés*) implementing provisions of the Ordinance regarding (i) recovery planning, (ii) resolution planning and (iii) criteria to assess the resolvability of an institution or group, have been published on 20 September 2015 to mostly implement the BRRD in France.

The Ordinance has been ratified by law no. 2016-1691 dated 9 December 2016 (*Loi n°2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) which also incorporates provisions which clarify the implementation of the BRRD.

French credit institutions (like BNPP) must now comply at all times with minimum requirements for own funds and eligible liabilities (the "**MREL**") since the publication in the OJ dated 3 September 2016 of the delegated Regulation (EU) 2016-1450 dated of 23 May 2016 supplementing the BRRD with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities. The MREL is expressed as a percentage of total liabilities and equity of the institution and aims to prevent institutions to structure their commitments in a manner which could limit or prevent the effectiveness of the bail-in tools.

The impact of the BRRD and its implementing provisions on credit institutions, including BNPP, is still partially unclear and its current and future application to BNPP or the taking of any action under it could materially affect the activity and financial condition of BNPP and the value of any Securities.

The French *Code monétaire et financier*, as amended by the Ordinance also provides that in exceptional circumstances, where the general bail-in tool is applied, the relevant resolution authority may exclude or partially exclude certain liabilities from the application of the write-down or conversion powers, in particular where: (a) it is not possible to bail-in that liability within a reasonable time; (b) the exclusion is strictly necessary and is proportionate to achieve the continuity of critical functions and core business lines of the institution under resolution; (c) the exclusion is strictly necessary and proportionate to avoid giving rise to widespread contagion, which would severely disrupt the functioning of financial markets, including of financial market infrastructures, in a manner that could cause a serious disturbance to the economy of a Member State of the European Union or of the European Union; or (d) the application of the general bail-in tool to those liabilities would cause a destruction in value such that the losses borne by other creditors would be higher than if those liabilities were excluded from bail-in. Consequently, where the relevant resolution authority decides to exclude or partially exclude an eligible liability or class of eligible liabilities, the level of write down or conversion applied to other eligible liabilities – due to Holders of Securities as the case may be - when not excluded, may be increased to take account of such exclusions. Subsequently, if the losses that would have been borne by those liabilities have not been passed on fully to other creditors, the French "Resolution and Deposits Guarantee Fund" (*Fonds de garantie des dépôts et de résolution*) or any other equivalent arrangement from a Member State, may make a contribution to the institution under resolution, under certain limits, including the requirement that such contribution does not exceed 5 per cent. of the global liabilities of such institution to (i) cover any losses which have not been absorbed by eligible liabilities and restore the net asset value of the institution under resolution to zero and/or (ii) purchase shares or other instruments of ownership or capital instruments in the institution under resolution, in order to recapitalise the institution. The last step - if there are losses left - would be an extraordinary public financial support through additional financial stabilisation tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework. An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The powers set out in the BRRD currently impacts and will further impact how credit institutions, including BNPP, and investment firms are managed as well as, in certain circumstances, the rights of creditors. In particular, Holders of Securities may be subject to write-down (including to zero) or conversion into equity on any application of the general bail-in tool (including amendment of the terms of the Securities such as a variation of their tenor), which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD as applied to BNPP or any suggestion of such exercise could, therefore, materially adversely affect the rights of Holders of Securities, the price or value of their investment in any Securities and/or the ability of BNPP, acting as Issuer or Guarantor, as the case may be, to satisfy its obligations under any Securities.

The powers currently set out in the BRRD and its implementation in the French *Code monétaire et financier* are expected to impact how credit institutions, including BNPP, and large investment firms (those which are required to hold initial capital of EUR 730,000 by the fourth Capital Requirements Directive (CRD)) are managed as well as, in certain circumstances, the rights of creditors. For Member States (including France) participating in the Banking Union, the Single Resolution Mechanism (the "SRM") fully harmonises the range of available tools but Member States are authorised to introduce

additional tools at a national level to deal with crises, as long as they are compatible with the resolution objectives and principles set out in the BRRD.

The Single Resolution Board works in close cooperation with the ACPR, in particular in relation to the elaboration of resolution planning, and has assumed full resolution powers since 1 January 2016, as the conditions for transfer of national contributions to the Single Resolution Fund were met by this date. It is not yet possible to assess the full impact of the BRRD and the French law provisions implementing the BRRD on BNPP and there can be no assurance that its implementation or the taking of any actions currently contemplated in it will not adversely affect the rights of Holders of Securities, the price or value of their investment in the Securities and/or the ability of BNPP to satisfy its obligations under the Securities.

Since November 2014, the European Central Bank ("ECB") has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the SSM. In addition, a SRM has been put in place to ensure that the resolution of banks across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the member states' resolution authorities under the BRRD for those banks subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the start of 2016.

BNPP has been designated as a significant supervised entity for the purposes of Article 49(1) of the SSM Regulations and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that BNPP is also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

#### *Implementation of BRRD in The Netherlands*

The BRRD was adopted by the European Council on 6 May 2014. Member States should have implemented the BRRD by 1 January 2015 (except for the bail-in tool which should have been implemented by 1 January 2016). On 26 November 2015, the BRRD was implemented in the Netherlands. As an exempt group finance company, BNPP B.V. is not subject to the Dutch implementing rules of the BRRD, nor is BNPP.

#### *French Insolvency Law*

Under French insolvency law holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), accelerated safeguard (*procédure de sauvegarde accélérée*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Securities), whether or not under a debt issuance programme and regardless of their ranking and their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), is proposed accelerated safeguard (*projet de plan de sauvegarde accélérée*), proposed accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or proposed judicial reorganisation plan (*projet de plan de redressement*) applicable to BNPP and may further agree to:

- partially or totally reschedule payments which are due and/or write-off debts and/or convert debts into equity (including with respect to amounts owed under the Securities; and/or
- establish an unequal treatment between holders of debt securities (including the Holders) as appropriate under the circumstances.

Decisions of the Assembly will be taken by a two-thirds majority (calculated as a proportion of the amount of debt securities held by the holders expressing a vote). No quorum is required to hold the Assembly.

For the avoidance of doubt, the provisions relating to the *Masse*, the General Meeting of the Holders and Written Resolutions set out in the Conditions will not be applicable in these circumstances.

#### *Change of Law*

The Conditions of Securities are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to an administrative practice or change to French law, as applicable, after the date of this Base Prospectus and any such change could materially adversely impact the value of any Securities affected by it.

#### *Termination of Securities in the Event of Illegality or Impracticability*

If the Issuer determines that the performance of its obligations under the Securities has become illegal or impracticable in whole or in part for any reason, the Issuer may cancel, in the case of Warrants, or redeem, in the case of Certificates, the Securities by paying to each Holder the fair market value of such Securities less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements. Such cancellation or redemption may result in an investor not realising a return on an investment in the Securities.

#### *Post-issuance Information*

Save as set out in the applicable Final Terms, the relevant Issuer will not provide post-issuance information in relation to the Underlying Reference. In such an event, investors will not be entitled to obtain such information from the relevant Issuer.

#### *Certain specific information may not be known at the beginning of an offer period*

In certain circumstances at the commencement of an offer period in respect of Securities but prior to the issue date of such Securities certain specific information (specifically the final payout and/or the Knock-in Level and/or Knock-out Level used to ascertain whether a Knock-in Event or Knock-out Event, as applicable, has occurred) may not be known. In these circumstances the Final Terms will specify in place of the relevant rate, level or percentage, as applicable, an indicative range of rates, levels or percentages. The actual rate, level or percentage, as applicable, applicable to the Securities will be selected by the Issuer from within the range and will be notified to investors prior to the Issue Date. The actual rate, level or percentage, as applicable, will be determined in accordance with market conditions by the Issuer in good faith and in a commercially reasonable manner.

Prospective purchasers of Securities will be required to make their investment decision based on the indicative range rather than the actual rate, level or percentage, as applicable, which will only be fixed after the investment decision is made but will apply to the Securities once issued.

Where an indicative range is specified in the Final Terms in respect of Knock-in Level and/or Knock-out Level, prospective purchasers of Securities should be aware that the actual rate, level or percentage, as applicable, selected from within the indicative range specified for Knock-in Level and/or Knock-out Level, as applicable, in respect of any Securities may have a negative impact on the final return on the Securities when compared with another rate, level or percentage, as applicable, within the indicative range.

*The Barrier Level, Bonus Level and/or Cap Level may not be known until after the Issue Date*

In certain circumstances in respect of ETS Payouts, the Barrier Level, Bonus Level and/or Cap Level may not be known at the issue date of the Securities. In these circumstances, the Final Terms will specify that the Barrier Level, Bonus Level and/or Cap Level, as applicable, will be the product of a specified percentage and the Closing Level, Closing Price, Relevant Price or Settlement Price, as applicable, of the Underlying Reference on the Strike Date (rounded upwards or downwards as determined by the Calculation Agent in good faith and in a commercially reasonable manner). Following the Strike Date, the Issuer will give notice of the actual Barrier Level, Bonus Level and/or Cap Level, as applicable, applicable to the Securities. Prospective investors should review the Final Terms together with the information contained in the notice in order to ascertain the Barrier Level, Bonus Level and/or Cap Level which will apply to the Securities.

*Risks Relating to Automatic Early Redemption of the Securities*

In the case of Securities that include an Automatic Early Redemption feature, the longer the time remaining until the scheduled redemption date of the Securities, the higher the probability that an Automatic Early Redemption Event will occur.

In the event that the relevant level, value or price of the Underlying Reference approaches the level that triggers the Automatic Early Redemption Event, the Holder may not be able to sell the Securities in the secondary market before the occurrence of the Automatic Early Redemption Event (see also "Possible Illiquidity of the Securities in the Secondary Market" above). If the Underlying Reference is listed on a different exchange to that on which the Securities are listed, the Automatic Early Redemption Event may occur outside the normal trading hours of the exchange on which the Securities are listed. In this case, the Holder may not have an opportunity to sell the Securities in the secondary market before the Automatic Early Redemption Event occurs.

*Risk of Loss Following Automatic Early Redemption of the Securities*

In the case of Securities that include an Automatic Early Redemption feature, if the relevant level, value or price of the Underlying Reference(s) reaches the level that triggers the Automatic Early Redemption Event, the product will automatically redeem before the scheduled redemption date. Depending on the applicable payout, the Holder may lose some or all of their investment in the Securities.

*Gap Risk*

Holders of the Securities will be exposed to the gap risk associated with the relevant level, value or price of the Underlying Reference(s), whereby the relevant level, value or price of one or more Underlying Reference may change suddenly and significantly during the trading day or at the opening of the market. Such change may be positive or negative.

The price of the Securities may include a premium, which includes the cost to the Issuer or its Affiliates of unwinding its hedging positions in relation to the Securities on early redemption of the



Securities. The calculation of the premium charged to Holders is based on the gap risk associated with the relevant level, value or price of the Underlying Reference(s). The Holder will not receive a refund of this premium if an Automatic Early Redemption Event occurs.

#### *The PRIIPS Regulation*

Other than as specified in the applicable Final Terms, the Securities will not be offered to retail investors as defined in Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the "**PRIIPs Regulation**"). The Issuer will not prepare a key information document (as described in the PRIIPS Regulation). This may reduce the ability of an investor to on-sell the relevant Securities.

## **2. Certain Considerations Associated with Specific Types of Products**

#### *Certain Risks Associated with ETS Products*

##### **(i) Risks associated with Yield Enhancement Products**

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a cap, knock-out and/or automatic early redemption features apply.

##### **(ii) Risks associated with Participation Products**

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early redemption features apply.

##### **(iii) Risks associated with Leverage Products**

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether knock-in, knock-out and/or automatic early redemption features apply. Additionally, the return may depend on other market factors such as interest rates, the implied volatility of the Underlying Reference(s) and the time remaining until redemption or until exercise (in the case of European Style Warrants). The effect of leverage on the Securities may be either positive or negative.

##### **(iv) Risks associated with Constant Leverage Products**

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the daily performance of the Underlying Reference(s) and the operation of an automatic early redemption feature. Constant Leverage Products are generally suited to short term investments intraday or over a few days. Investments held for a longer period of time may be affected by volatile market conditions which may have a negative impact on the performance of the Underlying Reference(s).

#### *Certain Risks Associated with SPS Products*

##### **(i) Risks associated with Reverse Convertible Products**

Investors may be exposed to a partial or total loss of their investment. The return on the Securities depends on the performance of the Underlying Reference(s) and whether a knock-in event occurs.

(ii) Risks associated with Vanilla Products

Investors may be exposed to a partial or total loss of their investment. The return depends on the performance of the Underlying Reference(s) and whether knock-in or knock-out features apply.

**3. Additional factors relating to certain Underlying References**

*Certain Considerations Associated with Index Securities*

An investment in Index Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Index Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying index/indices. Such underlying index may be a well known and widely published index or an index which may not be widely published or available. The index may refer to, *inter alia*, equities, bonds, currency exchange rates, or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations, or reference a number of different assets or indices. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change, which may adversely affect the return on the Securities.

Index Securities linked to a custom index are linked to a proprietary index which may be sponsored and/or calculated by BNP Paribas or one of its Affiliates. Pursuant to the operational rules of the relevant custom index, the custom index is scheduled to be calculated on a periodic basis (for example on each weekday). In the event that one of the levels, values or prices of a component included in the custom index is not available for any reason on a relevant day of calculation (i.e. either because it is a non-scheduled trading day in respect of that index component or that index component is subject to a market disruption or otherwise), then the Calculation Agent of the custom index may, but is not obliged to, calculate the level of the custom index on that day by taking a value for the affected index component from the first preceding day on which a level for such affected index component was available.

Various legal entities within the Group may undertake the role of Calculation Agent of the Securities, sponsor of the underlying custom index and Calculation Agent of the underlying custom index. BNP Paribas has policies and procedures to identify, consider and manage potential conflicts of interest which this situation may potentially generate.

For the avoidance of doubt, the relevant Issuer and/or its Affiliates may not be able to trade on and hedge its obligations in respect of the index (including custom indices) under the Securities notwithstanding the calculation or publication of the level of such index. In the event that any relevant date for valuation is a Disrupted Day for the custom index, that valuation date shall be the first succeeding day that is not a Disrupted Day and on which the Issuer or relevant affiliate is able to trade on and hedge its obligations in respect of the custom index, subject to a specified maximum days of disruption, as more fully set out in the Conditions.

*Certain Considerations Associated with Share Securities*

An investment in Share Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Share Securities, Holders will receive an amount (if any) determined by reference to the value of the share(s) (or Stapled Shares), GDRs and/or ADRs and/or the physical delivery of a given number of share(s) (or Stapled Shares), GDRs and/or ADRs. Accordingly, an investment in Share Securities may bear similar market risks to a direct equity investment and investors should take advice accordingly.

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

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

#### *Certain Considerations Associated with ETI Securities*

An investment in ETI Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of ETI Securities, Holders will receive an amount (if any) determined by reference to the value of the interests in exchange traded instruments or a basket of interests in exchange traded instruments and/or the physical delivery of a given number of interests in exchange traded instruments. Accordingly, an investment in ETI Securities may bear similar market risks to a direct investment in an exchange traded instrument, and investors should take advice accordingly.

In the case of ETI Securities, no exchange traded instrument will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Securities, and none of the Issuer, the Guarantor (if applicable) or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such exchange traded instrument contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the interests in the exchange traded instrument will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an exchange traded instrument could affect the trading price of interests in the exchange traded instruments and therefore the trading price of the Securities. ETI Securities do not provide Holders with any participation rights in the underlying ETI(s) and, except in certain circumstances in the case of Physical Delivery Securities, do not entitle holders of ETI Securities to any ownership interest or rights in such ETI(s).

Except as provided in the Conditions, Holders will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant exchange traded instruments to which such Securities relate.

#### *Certain Considerations Associated with Securities linked to ETIs*

ETI Securities linked to one or more interest in exchange traded instruments reflect the performance of such interest in exchange traded instruments.

An exchange traded instrument may invest in and trade in a variety of investments and financial instruments using sophisticated investment techniques for hedging and non-hedging purposes. Such financial instruments and investment techniques may include, but are not limited to, the use of leverage, short sales of securities, derivative transactions, such as swaps, stock options, index options, futures contracts and options on futures, lending of securities to certain financial institutions, entry into repurchase and reverse repurchase agreements for securities and the investment in foreign securities and foreign currencies.

The amount payable on ETI Securities will be dependent on the performance of the relevant ETI(s) underlying the ETI Securities, which, if ETI Share Provisions is specified as not applicable in the applicable Final Terms, may be linked to the reported NAV per ETI Interest, the trading price available on an exchange for the relevant ETI Interest and/or the actual redemption proceeds the Hedge Provider or a hypothetical investor in the relevant ETI(s) would receive. The amount payable on the ETI Securities may be less and in certain circumstances may be significantly less than the return from a direct investment in the relevant ETI(s) and may be zero depending on how the ETI Securities are indexed on the underlying ETI.

Exchange traded instruments are not actively managed. The value of an interest in an exchange traded instrument will decline, more or less, in line with the decline of any securities or the value of any index underlying or linked to the relevant exchange traded instrument. Exchange traded instruments involve risks similar to those of investing in any equity securities traded on an exchange, such as market fluctuations caused by, amongst other things, economic and political developments, changes in interest rates and perceived trends in prices of securities. Where the relevant exchange traded instrument is linked to a particular index, the return on such exchange traded instrument may not match the return of the particular index.

Potential investors in ETI Securities should be aware that none of the relevant Issuer, the Guarantor (if any) or the Calculation Agent have any control over investments made by the relevant exchange traded instrument(s) and in no way guarantee the performance of an exchange traded instrument or the amount payable to holders of ETI Securities.

In hedging the relevant Issuer's obligations under the ETI Securities, the Hedge Provider is not restricted to any particular hedging practice. Accordingly, the Hedge Provider may hedge its exposure using any method it deems appropriate, including, but not limited to, investing in the relevant exchange traded instrument(s), replicating the performance of the relevant exchange traded instrument(s) or holding any of the assets underlying the relevant exchange traded instrument(s). The Hedge Provider may perform any number of different hedging practices with respect to ETI Securities.

Investing directly or indirectly in interests in exchange traded instruments is generally considered to be risky. If the exchange traded instrument does not perform sufficiently well, the value of the Securities will fall, and may in certain circumstances be zero.

Prospective investors should review carefully the prospectus, information memorandum and/or offering circular (if any) issued by any relevant exchange traded instrument before purchasing any ETI Securities. None of the relevant Issuer, the Guarantor (if any), the Calculation Agent or any of their respective Affiliates make any representation as to the creditworthiness of any relevant exchange traded instrument or any such exchange traded instrument's administrator, custodian, investment manager or adviser.

### *Certain Considerations Associated with Debt Securities*

An investment in Debt Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Debt Securities, Holders will receive an amount (if any) determined by reference to the value of the underlying debt instrument(s) and/or the physical delivery of a given number of debt instrument(s). Accordingly, an investment in Debt Securities may bear similar market risks to a direct debt instrument investment, and investors should take advice accordingly. Debt Linked Interest Certificates pay interest calculated by reference to the value of the underlying debt instrument(s).

### *Certain Considerations Associated with Commodity Securities*

An investment in Commodity Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Commodity Securities, Holders will receive an amount (if any) determined by reference to the value of the commodity, commodity index, commodities and/or commodity indices. Accordingly, an investment in Commodity Securities may bear similar market risks to a direct commodity investment, and investors should take advice accordingly. Where the Securities are linked to a commodity index, such commodity index may be a well known and widely available commodity index (such as the S&P GSCI®) or a commodity index which may be less well known (such as a commodity index composed by the relevant Issuer) in which case information (including past performance) may be less readily available. The commodity index may be comprised of futures contracts, mono-indices, or other commodity indices, which may be proprietary. Commodity Securities may be linked to a commodity index which may be sponsored and/or calculated by BNP Paribas or one of its Affiliates. Pursuant to the operational rules of the relevant commodity index, the commodity index is scheduled to be calculated on a periodic basis (for example on each weekday). In the event that one of the levels, values or prices of a component included in the commodity index is not available for any reason on a relevant day of calculation including, without limitation, (a) where it is a not a business day in respect of that commodity index component or (b) that commodity index component is subject to a market disruption event, then the calculation agent of the commodity index may, but is not obliged to, calculate the level of the commodity index for the relevant day by taking a value for the affected index component on the first day following the end of a specified maximum days of disruption based on the price at which it is able to sell or otherwise realise any hedge position. Such an occurrence may potentially result in a delay in the publication of the commodity index and the level of the commodity index may be affected.

The relevant Issuer and/or its Affiliates may not be able to hedge its obligations in respect of the commodity index under the Securities notwithstanding the calculation and publication of the level of the commodity index. In the event that a Market Disruption Event is occurring on any relevant date for valuation, that valuation date will be postponed until the first succeeding day that is not a Commodity Disrupted Day, subject to a specified maximum days of disruption, as more fully set out in the Conditions. Where this occurs on (i) the Initial Pricing Date or Strike Date for valuation, the Calculation Agent will be unable to determine the initial or strike level for the commodity index and (ii) on the final date for valuation, the Calculation Agent will be unable to determine the final level for the commodity index, until either the Market Disruption Event has ceased or the specified maximum days of disruption have elapsed, whichever is sooner. Investors should be aware that any delay to the determination of the final level of the commodity index may result in a delay in the payment of the Cash Settlement Amount, Redemption Amount or Final Redemption Amount, as applicable.

*Certain Additional Considerations Associated with Index Securities, Debt Securities or Commodity Securities valued by reference to Futures Contracts*

Financial futures contracts are standardised futures transactions that are linked to financial instruments (e.g. stocks, bonds, indices, interest rates and foreign currencies). Commodity futures contracts are standardised futures transactions that are linked to commodities (e.g. mineral commodities, agricultural products and precious metals). A futures transaction constitutes the contractual obligation to buy or sell a certain amount or number of the respective underlying at a fixed price and at a predetermined future point in time. Futures contracts are traded on futures exchanges and standardised for this purpose with respect to their contract size, the nature and quality of the underlying as well as delivery places and dates, if any. Generally, there is a strong correlation between the price development of an underlying financial instrument or commodity (each or "**underlying**") on the spot market and the corresponding futures exchange. However, the price of a futures contract will generally be traded at a premium on, or discount from, the spot price of the underlying. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g. in the case of commodities, warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the underlying, there can be significant differences in the liquidity of the spot and the futures markets.

Investment in futures contracts involves certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain exchanges limit fluctuations in such futures contract prices pursuant to "daily limits". Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, contracts can neither be bought nor sold unless holders are willing to trade at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. For example, futures contract prices in various underlyings occasionally exceed the daily limit for several days with little or no trading. Such losses could have an adverse effect on the return of Securities linked to the affected futures contracts. Any illiquidity disruption or force majeure event (such as an act of God, fire, flood, severe weather conditions, act of governmental authority or a labour dispute or shortage) is likely to have an adverse effect on the value of or trading in the underlying or futures contracts on such underlying and adversely affect the value of the Securities.

Where the Securities are linked to the exchange price of a futures contract, knowledge of the market of the underlying to which the futures contract is linked as well as of the functioning and evaluation factors of futures contracts is necessary to make a valid assessment of the risks associated with the purchase of these Securities.

In the case of Index Securities or Debt Securities where Futures Price Valuation is applicable, the Securities are exposed to a futures or options contract relating to a synthetic index (in the case of Index Securities) or a debt instrument (in the case of Debt Securities) and bear similar market risks to a direct investment in such futures or options contract.

*Certain Additional Considerations Associated with Rolling Futures Contract Securities*

Futures contracts have a predetermined expiration date. Holding a futures contract until expiration will result in delivery of the physical underlying or the requirement to make or receive a cash settlement amount. Rolling Futures Contract Securities are valued by reference to futures contracts that have a delivery or expiry month that do not correspond with the term of the Securities. Consequently the futures contracts are "rolled" which means that the futures contract that is nearing expiration (the "**near-dated futures contracts**") is sold before it expires and a futures contract that has an expiration date further in the future (the "**longer-dated futures contracts**") is purchased ("**Rolling**"). In order to

maintain an ongoing exposure to such underlyings Rolling of the applicable futures contracts is applied.

An investment in futures contracts where the future is a commodity may increase or decrease through Rolling. Where the price of a near-dated futures contract is greater than the price of the longer-dated futures contract (the underlying is said to be in "**backwardation**"), then Rolling from the former to the latter will result in greater exposure to the longer-dated futures contract. Therefore, any loss or gain on the new positions will be greater than if an investor had synthetically held the same number of underlying contracts as before the Rolling. Conversely, where the price of the near-dated futures contract is lower than the price of the longer-dated futures contract (the underlying is said to be in "**contango**") then Rolling will result in less exposure to the longer-dated futures contract. Therefore, any gain or loss on the new positions will be less than if an investor had synthetically held the same number of underlying contracts as before the Rolling.

Depending on whether the Securities are synthetically "long" or "short" the relevant futures contract, where a futures contract is in contango, this is expected to (though may not) have a negative (in the case of a "long" position) or positive (in the case of a "short" position) effect over time on the value of the Securities. Where a futures contract is in backwardation this is expected to (though may not) have a positive (in the case of a "long" position) or negative (in the case of a "short" position) effect over time on the value of the Securities. Where an underlying contract is in contango, then the price of the longer-dated underlying contract will be expected to (but may not) decrease over time as it nears expiry. In such event, Rolling is expected to have a negative effect (in the case of a "long" position) or positive (in the case of a "short" position) on an investment in the underlying contract. Where an underlying contract is in backwardation, then the price of the longer-dated underlying contract is expected to (but may not) increase over time as it nears expiry. In such event, Rolling is expected to have a positive (in the case of a "long" position) or negative (in the case of a "short" position) effect on an investment in the underlying contract.

If, on any Futures Rollover Date (as defined below), a Market Disruption Event (as defined in Commodity Condition 2), a Commodity Index Adjustment Event (as defined in Commodity Condition 4) or a Non-Commencement or Discontinuance of the Exchange-traded Contract (as defined in Index Condition 9.1), as applicable, occurs and it is impossible or materially impracticable for the Calculation Agent to select a futures contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

- (i) in the case of an Index Security or Debt Security that is a Rolling Futures Contract Security:
  - (a) in the case of Warrants:
    - (A) the relevant Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the relevant Issuer will, unless (in the case of Index Warrants) Market Value or Highest Value are specified as applicable in the applicable Final Terms, pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payments being made in such manner as shall be notified to the Holders in accordance with Condition 10;

- (B) in the case of Index Securities, if Highest Value is specified as being applicable in the applicable Final Terms, the relevant Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, at an amount equal to the greater of the fair market value of such Warrant or Unit, as the case may be, (notwithstanding any illegality (if applicable) and taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract) and the Protected Amount specified in the applicable Final Terms, provided that, (x) no costs shall be deducted from such amount and (y) such amount shall include the reimbursement by the Issuer, pro rata (calculated from the date of cancellation notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, of the Warrants), of any costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Exercise Price of the Warrants, such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation;
- (C) in the case of Index Securities, if Market Value is specified as being applicable in the applicable Final Terms, the relevant Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, at an amount equal to the fair market value of a Security or Unit, as the case may be, (notwithstanding the illegality (if applicable) and taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract), calculated (x) without taking account of any costs and no costs shall be deducted from such amount and (y) including reimbursement by the Issuer, pro rata (calculated from the date of cancellation notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, of the Warrants), of any costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Exercise Price of the Warrants, such an amount to be paid to the Holders on the date notified in the notice of cancellation; or
- (b) in the case of Certificates:
  - (A) unless Delayed Redemption on Occurrence of Index Adjustment Event (in the case of Index Securities) or Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract (in the case of Debt Securities) is specified as being applicable in the applicable Final Terms, the relevant Issuer may redeem the Certificates by giving notice to Holders in accordance with Condition 10. If the Certificates are so redeemed the relevant Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the relevant Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10 or; or
  - (B) if Delayed Redemption on Occurrence of Index Adjustment Event (in the case of Index Securities) or Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract (in the case of Debt Securities) is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-



traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

- (C) in the case of Index Securities, if Highest Value is specified as being applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated as the greater of the fair market value of such Certificate (notwithstanding any illegality (if applicable) and taking into account any Non-Commencement or Discontinuance of an Exchange-traded Contract) and the Protected Amount specified in the applicable Final Terms, provided that, (x) no costs shall be deducted from such amount and (y) such amount shall include the reimbursement by the Issuer, pro rata (calculated from the early redemption date notified to the Holders until the scheduled Redemption Date of the Certificates), of any costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Issue Price of the Certificates, such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption;
- (D) in the case of Index Securities, if Market Value is specified as being applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated as the fair market value of a Certificate (notwithstanding the illegality (if applicable) and taking into account any Non-Commencement or Discontinuance of an Exchange-traded Contract) calculated without taking account of any costs and no costs shall be deducted from such amount, such an amount to be paid to the Holders on the date notified in the notice of early redemption;
- (E) in the case of Index Securities, if Monetisation Option is specified as being applicable in the applicable Final Terms the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated as:
  - (i) the Monetisation Amount (as defined below), such amount to be paid by the Issuer (notwithstanding the notice of early redemption) on the Redemption Date; or
  - (ii) if the Holder duly elects to receive the fair market value, as provided below, the fair market value of such Certificate, such amount to be paid by the Issuer on the date fixed for early redemption, as notified to the Holders.

Where:

"**Monetisation Amount**" means, in respect of a Certificate, an amount equal to the greater of the Protected Amount specified in the applicable Final Terms and the amount calculated by the Calculation Agent as follows:

$$(S + D) \times (1 + r)^n$$

"S" is the present value of the Protected Amount of such Certificate on the date on which the event triggering early redemption occurs;

"D" is the market value of the Derivative Component on the date on which the event triggering early redemption occurs;

"r" is a hypothetical annual interest rate that would be applied on an equivalent hypothetical debt instrument issued by the Issuer (or the Guarantor, as applicable) with the same time to redemption as the remaining time to redemption on the Certificates from the date fixed for early redemption until the scheduled redemption date of the Certificates;

"n" is the time remaining until the scheduled redemption date of the Certificates, expressed as a number of years; and

"**Derivative Component**" means the option component or embedded derivative in respect of the Security or the interest amount due under the Certificate in order to enable the Issuer to issue the Security at the issue price and on their applicable terms. The value of the Derivative Component will be determined by the Calculation Agent, taking into account a number of factors, including, but not limited to:

- (A) market prices or values for the underlying reference asset(s) or basis (bases) and other relevant economic variables (such as interest rates; dividend rates; financing costs; the value, price or level of any relevant underlying reference asset(s) or basis (bases) and any futures or options relating to any of them; the volatility of any relevant underlying reference asset(s) or basis (bases); and exchange rates (if applicable));
  - (B) the time remaining until the scheduled redemption date of the Certificates;
  - (C) internal pricing models; and
  - (D) prices at which other market participants might bid for the Derivative Component.
- (ii) in the case of a Commodity Security that is a Rolling Futures Contract Security, the relevant Issuer may take such actions as described in Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Condition 4 (Adjustments to a Commodity Index), as applicable (see "*Market Disruption Events relating to Commodity Securities*" and "*Adjustment Events relating to Commodity Index Securities*" below).

Rollover ("**Rollover**") will be effected on the relevant day specified in the Final Terms (the "**Futures Rollover Date**") within a certain time frame shortly before the expiration date of the current futures contract. Consequently on any Futures Rollover Date, the relevant Issuer will liquidate its positions assumed through the corresponding hedging arrangements in relation to the existing futures contract whose expiration is imminent and will assume corresponding positions in relation to a new futures contract having identical terms but with a different maturity selected by it acting in good faith and in a commercially reasonable manner.

At each Rollover there may be expenses incurred in replacing the futures contract which may have an adverse effect on the return on the Securities.

Prospective purchasers should be aware that in respect of Rolling Futures Contract Securities, the price difference between the futures involved in each Rollover may have a negative effect on the value of the

securities and in the long term be higher than the positive performance of the underlying and result in a total loss of the investment in the Securities. Rolling Futures Contract Securities may not be suitable for investors who intend to invest medium to long term.

#### *Certain Considerations Associated with Currency Securities*

An investment in Currency Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Currency Securities, Holders will receive an amount (if any) determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Accordingly, an investment in Currency Securities may bear similar market risks to a direct currency investment, and investors should take advice accordingly. Currency Linked Interest Certificates pay interest calculated by reference to the value of the underlying currency/currencies.

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

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

#### *Certain Considerations Associated with Futures Securities*

An investment in Futures Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Futures Securities, Holders will receive an amount (if any) determined by reference to the value of the futures contract or basket of futures contracts. Accordingly, an investment in Futures Securities may bear similar market risks to a direct futures contract investment, and investors should take advice accordingly. Futures Linked Interest Certificates pay interest calculated by reference to the value of the underlying futures contract or basket of futures contracts.

#### *The Calculation Agent may modify the terms of the Securities*

The Calculation Agent may, following its determination that there has been a change in the prevailing market standard terms or market trading conventions that affects any hedging transaction, modify the terms of the Securities to the extent reasonably necessary to ensure consistency with the prevailing market standard terms or market trading conventions, without the consent of Holders or prior notice to Holders. The Calculation Agent is not obliged to make any such modifications. If the Calculation Agent modifies the terms of the Securities, it will do so without regard to the interests of the holders of the Securities and any such modification may be prejudicial to the interests of the holder of the Securities.

#### *Certain Considerations Associated with Hybrid Securities*

An investment in Hybrid Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Hybrid Securities Holders will receive an amount (if any) determined by reference to the value of a number of different Underlying References. Hybrid Linked Interest Certificates pay interest calculated by reference to the value of a number of different Underlying References.

#### *Certain Considerations Associated with Open End Certificates and OET Certificates*

Open End Certificates and OET Certificates do not have any pre-determined maturity and may be redeemed on any date determined by the relevant Issuer, acting in good faith, subject to compliance with the provisions of the Conditions. Investment in Open End Certificates and OET Certificates will entail additional risks compared with other Certificates, due to the fact that the redemption date for such Open End Certificates and OET Certificates cannot be determined by the investor.

#### *Certain Considerations Associated with Securities listed on Euronext Paris which are Knock-in Event, Knock-out Event Securities or OET Certificates listed on Euronext Paris*

Securities listed on Euronext Paris in respect of which "Knock-in Event" or "Knock-out Event" is specified as applicable in the relevant Final Terms or which are OET Certificates, in each case listed on Euronext Paris constitute "leverage products" (*produits à levier*) within the meaning of the classification of warrants and certificates published by Euronext Paris in a notice dated 7 November 2007. The use of such classification is recommended by the AMF in accordance with its press release of 28 November 2007. However, all the characteristics and risks of the above mentioned Securities and OET Certificates may not be totally reflected by this classification. In addition, this classification may be amended at any time by Euronext Paris.

#### *Certain Considerations Associated with Multiple Exercise Certificates*

If the Certificates are specified to be Multiple Exercise Certificates, each Certificate will, subject to the renouncement by a Certificate holder, be automatically exercised on each Exercise Date and the relevant Cash Settlement Amount (if any) paid on the relevant Exercise Settlement Date. Following the payment of the Cash Settlement Amount (if any) in respect of the final Exercise Settlement Date, the relevant Issuer shall have discharged its obligations in respect of the Certificates and shall have no other liability or obligation whatsoever in respect of such Certificates.

#### *Certain Considerations Associated with Securities Linked to Emerging Markets*

Each Issuer may issue Securities where the amount payable on exercise or redemption or the interest payable is linked to Underlying References which consist of (i) securities, funds or indices comprising securities of issuers that are located in, or subject to regulation in, emerging or developing countries, or (ii) securities which are denominated in the currency of, or are traded in, emerging or developing countries or (iii) currencies of emerging or developing countries. Prospective investors should note that additional risks may be associated with investment in such Securities, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in some such markets may be slower and more subject to failure than in markets in developed countries.

Increased custodian costs as well as administrative difficulties (such as the applicability of the laws of the jurisdictions of emerging or developing countries to custodians in such jurisdictions in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalisation and record access) may also arise from the maintenance of assets in such emerging or developing countries.

Prospective purchasers of the Securities should also be aware that the probability of the occurrence of a Hedging Disruption Event (or other Adjustment Event under the relevant legal terms as set out further in the Conditions) and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets. Prospective purchasers are expected to conduct their own enquiries and be satisfied that there are additional risks associated with investments linked to the performance of underlying assets located in these markets.

*Bull Certificates and Bear Certificates are designed for short-term trading only because they are valued on the basis of their compounded daily performance.*

Bull Certificates and Bear Certificates (together, the "**Bull and Bear Securities**" or "**ETS Final Payout 2300**") are designed for very short-term trading or intraday trading and are not intended for buy-to-hold investing. The percentage change in value of the Securities over one day will be the Leverage Factor which is a constant factor for each Security multiplied by the daily performance of the relevant Underlying Reference measured as the percentage change of the reference price from one day to the next day adjusted by the applicable Financing Component (which includes a Fee, an Interest Margin and Hedging Costs and may be positive or negative depending on, amongst other things, prevailing interest rates). Bull Certificates aim to produce a performance equal to the Leverage Factor (as specified in the applicable Final Terms) multiplied by the performance of the relevant Underlying Reference whereas Bear Certificates aim to produce a performance equal to the Leverage Factor times the inverse performance of the relevant Underlying Reference. However, because the performance of the Securities over any period longer than one day will be derived from the compounded daily performance of the relevant Underlying Reference during that period, such Security's performance may differ significantly to the overall performance of the Underlying Reference over that same period. Accordingly, compared to a security that measures change in value of the Underlying Reference between two dates, Bull and Bear Securities may have significantly different outcomes depending on the number and direction of changes in the daily value of the Underlying Reference over such period and the order in which such changes occur. Bull and Bear Securities are therefore described as "path-dependent" financial instruments. The potential for divergence between the Performance of the Bull and Bear Securities and the performance of the Underlying Reference over the same period of time will increase as such period becomes longer and will be most marked in periods when the value of the Underlying Reference is volatile. Consequently, Bull or Bear Securities are only suitable for intra-day trading or very short investment periods.

#### **4. Additional Factors Relating to Disruption and Adjustments**

##### *Additional Disruption Events and Optional Additional Disruption Events*

If an Additional Disruption Event occurs, or any Optional Additional Disruption Event specified in the applicable Final Terms occurs (other than in respect of a Failure to Deliver due to Illiquidity), the Securities may be subject to adjustment (including, in the case of Share Securities linked to a Basket of Shares, adjustments to the Basket of Shares), cancellation (in the case of Warrants) or early redemption (in the case of Certificates) or the amount payable on scheduled redemption (in the case of Certificates) may be different from the amount expected to be paid at scheduled redemption. In the case of Index Securities linked to a Custom Index the occurrence of an Additional Disruption Event or Optional

Redemption Event specified in the applicable Final Terms may lead to the selection of a successor Index.

The Additional Disruption Events relate to changes in law (including changes in tax or regulatory capital requirements) and hedging disruptions in respect of any hedging transactions relating to the Securities (both as more fully set out in the Conditions).

If a Failure to Deliver due to Illiquidity occurs:

- (A) subject as provided in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) and (in the case of Warrants) the Calculation Agent shall determine in its discretion the appropriate pro rata portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement, the Issuer may elect in good faith and in a commercially reasonable manner to satisfy its obligations in respect of the relevant Security or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with the relevant Conditions. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders.

Consequently the occurrence of an Additional Disruption Event and/or an Optional Additional Disruption Event may have an adverse effect on the value or liquidity of the Securities.

*Market Disruption Events or failure to open of an exchange*

If an issue of Securities includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on a date for valuation of an Underlying Reference and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such valuation date, any consequential postponement of the valuation date, or any alternative provisions for valuation provided in any Securities may have an adverse effect on the value and liquidity of such Securities.

The occurrence of such a Market Disruption Event or failure to open of an exchange in relation to any Underlying Reference comprising a basket may also have such an adverse effect on Securities related to such basket. In addition, any such consequential postponement may result in the postponement of the relevant Settlement Date or Redemption Date.

*Adjustment Events relating to Index Securities*

In the case of Index Securities, if a relevant Index is (i) not calculated and announced by the Index Sponsor in respect of the Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, 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 that Index, then, in each case, that index will be deemed to be the Index.

The occurrence of an Index Modification, an Index Cancellation or an Index Disruption (each being an "**Index Adjustment Event**") may lead to (i) changes in the calculation of the relevant value or price (if the Calculation Agent determines such Index Adjustment Event has a material effect on the Securities),

(ii) early cancellation of the Securities (in the case of Warrants), (iii) early redemption of the Securities (in the case of Certificates) or (iv) the amount payable on scheduled redemption of the Securities (in the case of Certificates) being different from the amount expected to be paid at scheduled redemption.

Any such adjustment may have an adverse effect on the value and liquidity of such Securities.

*Potential Adjustment Events relating to Share Securities*

In the case of Share Securities, following the declaration by the Basket Company or Share Company, as the case may be (or, in the case of Stapled Shares, an issuer of each constituent share comprising the Stapled Shares), of the terms of any Potential Adjustment Event, the Calculation Agent will, in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares (or the Stapled Shares, as the case may be) and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share (or the relevant Stapled Shares, as the case may be)). Such adjustment may have an adverse effect on the value and liquidity of the affected Share Securities.

*Extraordinary Events relating to Share Securities*

In the case of Share Securities the occurrence of an Extraordinary Event (as defined in the Share Conditions) in relation to a Share, may lead to:

- (A) adjustments to any of the terms of the Securities (including, in the case of Share Securities linked to a Basket of Shares, adjustments to and/or substitution of constituent shares of the Basket of Shares);
- (B) in the case of Warrants, early cancellation in whole or, in the case of Share Securities relating to a Basket of Sharers, in part;
- (C) in the case of Certificates, early redemption in whole or, in the case of Share Securities relating to a Basket of Shares, in part or the amount payable on scheduled redemption being different from the amount expected to be paid at scheduled redemption;
- (D) the Calculation Agent making an adjustment to any terms of the Securities which corresponds to any adjustment to the settlement terms of options on the Shares traded on such exchanges(s) or quotation system(s)) as the Issuer acting in good faith and in a commercially reasonable manner shall select (the "**Options Exchange**") or, if options on the Shares (or Stapled Shares) are not traded on the Options Exchange, the Calculation Agent making such adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

Following an early cancellation or redemption, an investor generally would not be able to reinvest the relevant proceeds at an effective interest rate as high as the effective return on the relevant Securities being cancelled or redeemed and may only be able to do so at a significantly lower rate, and potential investors should consider reinvestment risk in light of other investments available at that time.

Consequently the occurrence of an Extraordinary Event in relation to a Share may have an adverse effect on the value or liquidity of the Securities.

In the case of Share Securities relating to Stapled Shares or a Basket of Shares comprising one or more Stapled Shares, the Issuer may elect to apply any of the consequences described in paragraphs (A), (B), (C) and (D) above. If the Stapled Shares become de-stapled such that one or more shares comprising the Stapled Shares may be held, owned, sold, transferred, purchased and otherwise dealt with as an individual share (a "**De-Stapling**"), the Issuer may elect to substitute the Stapled Shares with an alternative share meeting certain criteria (a "**Substitute Share**") selected by the Calculation Agent.

*Potential Adjustment Events relating to ETI Securities*

In the case of ETI Securities, except as may be limited in the case of U.S. Securities, following the declaration by the relevant exchange traded instruments or any person appointed to provide services directly or indirectly in respect of such exchange traded instrument, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest).

Any such adjustment may have an adverse effect on the value and liquidity of such Securities.

*Extraordinary Events relating to ETI Securities*

If ETI Share Provisions is specified as not applicable in the applicable Final Terms in the case of ETI Securities, if certain events ("**Extraordinary ETI Events**") including events relating to Global Events, Litigation/Fraudulent Activity Events, Change in Related Parties/Key Persons Events, Modification Events, Net Asset Value/Investment/AUM Level Events, Tax/Law/Accounting/Regulatory Events, Hedging/Impracticality/Increased Costs Events and Miscellaneous Events in the determination of the Calculation Agent (acting in good faith and in a commercially reasonable manner) occur, the relevant Issuer may, acting in good faith and in a commercially reasonable manner, adjust the terms of the Securities to reflect such event, substitute the relevant ETI Interests or cancel the Securities. If ETI Share Provisions is specified as applicable in the applicable Final Terms, an Extraordinary Event may include the occurrence of a Delisting, ETI Currency Change, ETI Modification, ETI Reclassification, ETI Redemption or Subscription Event, ETI Regulatory Action, ETI Reporting Event, ETI Strategy Breach, ETI Termination, Insolvency, Merger Event, Nationalisation or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, Listing Suspension or Tender Offer. If the Calculation Agent (acting in good faith and in a commercially reasonable manner) determines that such an event has occurred, the Issuer may acting in good faith and in a commercially reasonable manner adjust the terms of the Securities to reflect such event or redeem or cancel the Securities.

Consequently the occurrence of an Extraordinary ETI Event or an Extraordinary Event, as the case may be, may have an adverse effect on the value or liquidity of the Securities.

The Issuer will exercise its rights under the ETI Conditions, including in particular the action it takes on the occurrence of an Extraordinary ETI Event or an Extraordinary Event, as the case may be, acting in good faith. Subject to all regulatory obligations, none of the Issuer, the Guarantor (if any) or the Calculation Agent owes any duty or responsibility to any of the Holders of the ETI Securities. The



exercise of such rights in such manner may result in an increased loss in performance of the ETI Securities than if the Issuer had taken different action.

#### *Market Disruption Events relating to Commodity Securities*

If a Market Disruption Event occurs or is continuing on a date for valuation then:

- (A) the Calculation Agent will determine if such event has a material effect on the Securities and, if so, will calculate the relevant Interest Amount and/or Final Redemption Amount or Cash Settlement Amount and/or make another relevant calculation using, in lieu of a published price or level for the relevant Commodity or Commodity Index, the Commodity Fallback Value;
- (B) the Calculation Agent may substitute the relevant affected Commodity or Index Component with a Commodity or Index Component selected by it in accordance with the criteria set out in the Commodity Conditions and will make such adjustment, if any, to any terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Issuer will cancel or redeem, as applicable, the Securities.

Consequently the occurrence of a Market Disruption Event in relation to a Commodity, Commodity Index or Index Component may have an adverse effect on the value or liquidity of the Securities.

#### *Adjustment Events relating to Commodity Index Securities*

In the case of a Securities linked to a Commodity Index, if a relevant Commodity Index is (i) not calculated and announced by the Index Sponsor in respect of the Commodity Index but is calculated and announced by a successor sponsor or successor entity, as the case may be, acceptable to the Calculation Agent, or (ii) replaced by a successor Commodity Index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then, in each case, that Commodity Index will be deemed to be the Commodity Index. The occurrence of a Commodity Index Modification, Commodity Index Cancellation or Commodity Index Disruption (each being a "**Commodity Index Adjustment Event**") may lead to:

- (A) the Calculation Agent determining the Relevant Price using, in lieu of a published level, the Commodity Fallback Value (if the Calculation Agent determines such Commodity Index Adjustment Event has a material effect on the Securities); or
- (B) cancellation or early redemption of the Securities.

Any such adjustment may have an adverse effect on the value and liquidity of such Securities.

#### *Settlement Disruption Events*

In the case of Physical Delivery Securities, if a Settlement Disruption Event occurs or exists on the Settlement Date or the Redemption Date respectively, settlement will be postponed until the next Settlement Business Day in respect of which there is no Settlement Disruption Event. The Issuer in these circumstances also has the right to pay the Disruption Cash Settlement Price or Disruption Cash Redemption Amount (as defined below) in lieu of delivering the Entitlement. As further described below, the Disruption Cash Settlement Price or Disruption Cash Redemption Amount may be less than the fair market value of the Entitlement.

#### *Option to Vary Settlement*

If so indicated in the Final Terms, the Issuer may, in good faith and in a commercially reasonable manner, elect to vary the settlement of the Securities, by (i) in the case of cash settled securities, delivering or procuring delivery of the Entitlement instead of making payment of the Final Redemption Amount or the Cash Settlement Amount, as applicable, to the relevant Holders or (ii) in the case of Physical Delivery Securities, making payment of the Final Redemption Amount or the Cash Settlement Amount, as applicable, to the relevant Holders instead of delivering or procuring delivery of the Entitlement.

#### *Option to Substitute Assets or to Pay the Alternate Cash Amount or Alternate Cash Redemption Amount*

The Issuer may, in good faith and in a commercially reasonable manner, if the Calculation Agent determines (in good faith and in a commercially reasonable manner) that the Relevant Asset or Relevant Assets, as the case may be, comprise assets which are not freely tradable, elect either (i) to substitute a Substitute Asset or Substitute Assets, as the case may be, for the Relevant Asset or Relevant Assets or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant holders, but in lieu thereof to make payment to the relevant holders on the Settlement Date of the Alternate Cash Amount or Alternate Cash Redemption Amount, as applicable.

### **5. Securities Subject to Optional Redemption, Cancellation or Early Exercise by the relevant Issuer or Other Early Redemption (including Automatic Early Redemption) or Cancellation**

An optional, other early redemption (or cancellation) or early exercise feature (including an Automatic Early Redemption feature) is likely to limit the market value of the Securities. In the case of Securities having an optional redemption (or cancellation) feature, during any period when the relevant Issuer may elect to redeem (or cancel) the relevant Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed (or cancelled). This also may be true prior to any redemption (or cancellation) period. In addition, the Final Terms may provide that the relevant Securities shall be redeemed (or cancelled) early in specified circumstances, such as the occurrence of an Additional Disruption Event, an Optional Additional Disruption Event and/or an Automatic Early Redemption Event. Following an optional or early redemption (or cancellation) (including an Automatic Early Redemption), a Holder generally would not be able to reinvest the redemption (or cancellation) proceeds (if any) at an effective interest rate as high as the interest rate on the relevant Securities being redeemed (or cancelled), and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. In addition, in the case of Securities with an Automatic Early Redemption feature, the value of the Securities and the amount that Holders receive upon an Automatic Early Redemption may not correlate with the value of the Underlying Reference, which may trigger such Automatic Early Redemption.

### **6. Interest**

#### *Interest linked to an Underlying Reference*

Interest payable on Underlying Reference Linked Interest Certificates may be determined by reference to an Underlying Reference or combinations of a number of different Underlying References. Potential investors should be aware that:

- (A) the market price of such Securities may be volatile;

- (B) they may receive no interest;
- (C) payment of interest may occur at a different time or in a different currency than expected;
- (D) an Underlying Reference may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (E) if an Underlying Reference is applied to Certificates in conjunction with a weighting greater than one or contains some other leverage factor, the effect of changes in the Underlying Reference on interest payable will be magnified; and
- (F) interest may only be payable and/or calculated in respect of certain specified days and/or periods on or during which the Underlying Reference or its value equals, exceeds and/or is less than certain specified thresholds.

## **7. Limited Exposure to Underlying Reference**

If the applicable Final Terms provide that the exposure of the relevant Securities to one or more Underlying References is limited or capped at a certain level or amount, the relevant Securities will not benefit from any upside in the value of any such Underlying References beyond such limit or cap.

## **8. Certain Additional Risks Associated with Warrants**

### *Limitations on Exercise of Warrants*

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

### *Minimum Exercise Amount of Warrants*

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

### *Time Lag after Exercise of Warrants*

In the case of any exercise of Warrants, there will be a time lag between the time a Holder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. Any such delay between the time of exercise

and the determination of the Cash Settlement Amount will be specified in the applicable Final Terms or the applicable Conditions. However, such delay could be significantly longer, particularly in the case of a delay in the exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a Market Disruption Event or the failure to open of an exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of Currency Securities. The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the relevant Warrants, and may result in such Cash Settlement Amount being zero.

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

### Restrictions on Non-exempt offers of Securities in relevant Member States

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

Save as provided above, neither BNPP B.V. nor BNPP has authorised, nor do they authorise, the making of any Non-exempt Offer of Securities in circumstances in which an obligation arises for either of BNPP B.V. or BNPP to publish or supplement a prospectus for such offer.

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

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

Neither BNPP B.V. nor BNPP makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and neither of BNPP B.V. nor BNPP has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, neither BNPP B.V. nor BNPP has authorised the making of any Non-exempt Offer by any offeror and BNPP B.V. and BNPP have not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Securities. Any Non-exempt Offer made without the consent of the relevant Issuer is unauthorised and neither BNPP B.V. nor BNPP accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.**

If, in the context of a Non-exempt Offer, an Investor is offered Securities by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

## **Consent**

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

### *Specific Consent*

- (a) each Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Securities:
  - (i) the relevant Manager(s) specified in the applicable Final Terms;
  - (ii) any financial intermediaries specified in the applicable Final Terms; and
  - (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on BNPP's websites ([www.produitsdebourse.bnpparibas.fr](http://www.produitsdebourse.bnpparibas.fr); [www.bnpparibasmarkets.be](http://www.bnpparibasmarkets.be); [www.bnpparibasmarkets.nl](http://www.bnpparibasmarkets.nl); [www.educatedtrading.bnpparibas.se](http://www.educatedtrading.bnpparibas.se) and <https://www.productoscotizados.com/home/>) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and

### *General Consent*

- (b) if (and only if) Part A of the applicable Final Terms specifies "General Consent" as "Applicable", each Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Securities by any other financial intermediary which satisfies the following conditions:
  - (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU); and
  - (ii) it accepts each Issuer's offer to grant consent to the use of this Base Prospectus by publishing on its website the following statement (with the information in square brackets completed with the relevant information) (the "**Acceptance Statement**"):

*"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Securities] (the "**Securities**") described in the Final Terms dated [insert date] (the "**Final Terms**") published by [ ] (the "**Issuer**"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly."*

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

- (A) will, and it agrees, represents, warrants and undertakes for the benefit of BNPP B.V. and BNPP that it will, at all times in connection with the relevant Non-exempt Offer:
  - I. act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation and in each case, Rules

relating to both the appropriateness or suitability of any investment in the Securities by any person and disclosure to any potential Investor, and will immediately inform BNPP B.V. and BNPP if at any time such financial intermediary becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;

- II. comply with the restrictions set out under "Offering and Sale" in this Base Prospectus and consider the relevant manufacturer's target market and assessment and distribution channels identified under the "MiFID II product governance/target market assessment " legend which may be set out in the applicable Final Terms;
- III. ensure that any fee (and any other commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Securities does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
- IV. hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Securities under the Rules;
- V. comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Securities by the Investor), and will not permit any application for Securities in circumstances where the financial intermediary has any suspicions as to the source of the application monies;
- VI. retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to BNPP B.V. and BNPP or directly to the appropriate authorities with jurisdiction over BNPP B.V. and BNPP in order to enable BNPP B.V. and BNPP to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to BNPP B.V. and BNPP;
- VII. ensure that it does not, directly or indirectly, cause BNPP B.V. or BNPP to breach any Rule or subject BNPP B.V. or BNPP to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- VIII. ensure that Investors understand the risks associated with an investment in the Securities;
- IX. comply with the conditions to the consent referred to under "*Common Conditions to Consent*" below and any further requirements relevant to the Non-exempt Offer as specified in the applicable Final Terms;
- X. make available to each potential Investor in the Securities the Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the relevant Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with the Base Prospectus;
- XI. if it conveys or publishes any communication (other than the Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the

relevant Issuer for the purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the relevant Issuer, that such financial intermediary is solely responsible for such communication and that none of BNPP B.V. or BNPP accepts any responsibility for such communication and (C) does not, without the prior written consent of BNPP B.V. or BNPP (as applicable), use the legal or publicity names of BNPP B.V. or BNPP or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the relevant Issuer as issuer of the relevant Securities and the Guarantor as the guarantor of the relevant Securities on the basis set out in the Base Prospectus;

- XII. ensure that no holder of Securities or potential Investor in Securities shall become an indirect or direct client of BNPP B.V. and BNPP for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- XIII. co-operate with BNPP B.V. and BNPP in providing such information (including, without limitation, documents and records maintained pursuant to paragraph VI) upon written request from BNPP B.V. or BNPP, as applicable, as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by BNPP B.V. or BNPP:
- (i) in connection with any request or investigation by any regulator in relation to the Securities, BNPP B.V. or BNPP; and/or
  - (ii) in connection with any complaints received by BNPP B.V. or BNPP relating to BNPP B.V. or BNPP or another Authorised Offeror including, without limitation, complaints as defined in rules published by any regulator of competent jurisdiction from time to time; and/or
  - (iii) which BNPP B.V. or BNPP may reasonably require from time to time in relation to the Securities and/or as to allow BNPP B.V. or BNPP fully to comply with its own legal, tax and regulatory requirements,

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

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



- XV. either (i) obtain from each potential Investor an executed application for the Securities, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Securities on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;
- (B) agrees and undertakes to indemnify each of BNPP B.V. and BNPP (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by BNPP B.V. or BNPP; and
- (C) agrees and accepts that:
- I. the contract between the relevant Issuer and itself formed upon its acceptance of the relevant Issuer's offer to use the Base Prospectus with its consent in connection with the relevant Non-exempt Offer (the "**Authorised Offeror Contract**") shall be governed by, and construed in accordance with, French law;
  - II. the courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) have jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the relevant Issuer and the financial intermediary submit to the jurisdiction of such French courts;
  - III. for the purposes of I and II, the relevant Issuer and itself waive any objection to the relevant courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;
  - IV. each of the relevant Issuer and itself will be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by itself pursuant to the Authorised Offeror Terms.

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

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

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

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

- (i) is only valid during the Offer Period specified in the applicable Final Terms;
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in Belgium, Denmark, Finland, France, Luxembourg, the Netherlands, Norway, Spain and Sweden as specified in the applicable Final Terms; and
- (iii) the consent is subject to any other conditions set out in Part A of the applicable Final Terms.

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

The only Relevant Member States which may, in respect of any Tranche of Securities, be specified in the applicable Final Terms (if any relevant Member States are so specified) as indicated in (ii), will be Belgium, Denmark, Finland, France, Luxembourg, the Netherlands, Norway, Spain and Sweden and accordingly each Tranche of Securities may only be offered to Investors as part of a Non-exempt Offer in Belgium, Denmark, Finland, France, Luxembourg, the Netherlands, Norway, Spain and Sweden as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for BNPP B.V. or BNPP to publish or supplement a prospectus for such offer.

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

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE SECURITIES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF BNPP B.V. OR BNPP HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

### **Information relating to the use of this Base Prospectus and offer of Securities generally**

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

In this Base Prospectus references to U.S.\$ and U.S. dollars are to United States dollars and references to euro, € and EUR are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

## **RESPONSIBILITY STATEMENT**

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

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

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

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus and that have been filed with the Netherlands competent authority for the purpose of the Prospectus Directive, and shall be incorporated in, and form part of, this Base Prospectus:

- (a) the terms and conditions of the Securities contained in the base prospectus (the "**2014 Base Prospectus**") of BNPP B.V. dated 22 August 2014 (as approved by the Authority for the financial Markets) (the "**2014 Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2015 Base Prospectus**") of BNPP B.V. dated 24 August 2015 (as approved by the Authority for the financial Markets) (the "**2015 Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2016 Base Prospectus**") of BNPP B.V. dated 5 July 2016 (as approved by the Authority for the financial Markets) (the "**2016 Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2017 Base Prospectus**") of BNPP B.V. dated 3 July 2017 (as approved by the Authority for the financial Markets) (the "**2017 Conditions**") and the terms and conditions of the Securities contained in the base prospectus (the "**2018 Base Prospectus**") of BNPP B.V. dated 4 July 2018 (as approved by the Authority for the financial Markets) (the "**2018 Conditions**");
- (b) the English translation of BNP Paribas' *Document de référence et rapport financier annuel* for 2017 including the consolidated financial statements for the year ended 31 December 2017 and the statutory auditors' report thereon other than the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter ("*Lettre de fin de travaux*") therein (the "**BNPP 2017 Registration Document (in English)**");
- (c) the English translation of BNP Paribas' *Document de référence et rapport financier annuel* for 2018 including the consolidated financial statements for the year ended 31 December 2018 and the statutory auditors' report thereon other than the sections entitled "Person Responsible for the Registration Document", the "Table of Concordance" and any reference to a completion letter ("*Lettre de fin de travaux*") therein (the "**BNPP 2018 Registration Document (in English)**");
- (d) the English translation of BNP Paribas' first *Actualisation du Document de référence* other than the sections entitled "Person responsible for the update of the Registration Document" and "Table of Concordance" (the "**First Update to the BNPP 2018 Registration Document (in English)**"); and
- (e) the audited annual non-consolidated financial statements of BNPP B.V. as at, and for the years ended, 31 December 2017 (the "**BNPP B.V. 2017 Financial Statements**") and 31 December 2018 (the "**BNPP B.V. 2018 Financial Statements**"), such financial statements and the respective auditors' reports thereon, being available as part of the respective statutory annual reports for 2017 and 2018 (the "**2017 BNPP B.V. Annual Report**" and "**2018 BNPP B.V. Annual Report**" respectively).

save that any statement contained herein or 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 such statement is inconsistent with a statement contained in this Base Prospectus or any supplement to this Base Prospectus.

***Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.***

The information incorporated by reference above is available as follows:

<b>Information Incorporated by Reference</b>	<b>Reference</b>
<b>Previous Conditions</b>	
2014 Conditions	Pages 124 to 270 of the 2014 Base Prospectus
2015 Conditions	Pages 124 to 298 of the 2015 Base Prospectus
2016 Conditions	Pages 126 to 311 of the 2016 Base Prospectus
2017 Conditions	Pages 153 to 388 of the 2017 Base Prospectus
2018 Conditions	Pages 182 to 447 of the 2018 Base Prospectus

<b>BNP PARIBAS</b>	
<i>Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004</i>	
<b>3. Risk Factors</b>	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	Pages 277 to 464 of the BNPP 2018 Registration Document (in English)  Pages 73 and 77 of the First Update to the BNPP 2018 Registration Document (in English)
<b>4. Information about the Issuer</b>	
4.1. History and development of the Issuer:	Page 5 of the BNPP 2018 Registration Document (in English)  Page 3 of the First Update to the BNPP 2018 Registration Document (in English)
4.1.1. The legal and commercial name of the Issuer;	Page 585 of the BNPP 2018 Registration Document (in English)
4.1.2. The place of registration of the Issuer and its registration number;	Pages 585 and 606 (back cover) of the BNPP 2018 Registration Document (in English)
4.1.3. The date of incorporation and the length of life of the Issuer, except where indefinite;	Page 585 of the BNPP 2018 Registration Document (in English)
4.1.4. - the domicile and legal form of the Issuer, - the legislation under which the Issuer 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).	Pages 585 and 606 (back cover) of the BNPP 2018 Registration Document (in English)

4.1.5. Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Page 280, 316 to 317 and 577 of the BNPP 2018 Registration Document (in English)
<b>5. Business Overview</b>	
5.1.1. A brief description of - the Issuer's principal activities stating, - the main categories of products sold and/or services performed.	Pages 6 to 15, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.2. An indication of any significant new products and/or activities.	Pages 6 to 15, 135, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.3. A brief description of the principal markets in which the Issuer competes.	Pages 6 to 15, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.4. The basis for any statements in the registration document made by the Issuer regarding its competitive position.	Pages 6 to 15 and 114 to 127 of the BNPP 2018 Registration Document (in English)
<b>6. Organisational Structure</b>	
6.1. If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	Page 4 ; 6 of the BNPP 2018 Registration Document (in English)
6.2. If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Pages 261 to 268, 496 to 501, 576, and 578 to 584 of the BNPP 2018 Registration Document (in English)
<b>7. Trend Information</b>	
7.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	Page 286 of the BNPP 2018 Registration Document (in English)
<b>8. Profit Forecasts or Estimates</b>	
8.1. A statement setting out the principal assumptions upon which the Issuer has based its forecast, or estimate.  There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily understandable by investors; be specific and precise; and not relate to the general accuracy of the estimates underlying the forecast.	NA
8.2. A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.	NA
Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to be published in the next annual audited	

financial statements for the previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:	
(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;	
(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;	
(c) this financial information has not been audited.	
8.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.	NA
<b>9. Administrative, Management, and Supervisory Bodies</b>	
9.1. Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:  (a) members of the administrative, management or supervisory bodies;  (b) partners with unlimited liability, in the case of a limited partnership with a share capital.	Pages 31 to 45 and 98 of the BNPP 2018 Registration Document (in English)
9.2. Administrative, Management, and Supervisory bodies conflicts of interests.  Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated.  In the event that there are no such conflicts, make a statement to that effect.	Pages 49 to 50, 63 to 64 and 74 to 94 of the BNPP 2018 Registration Document (in English)
<b>10. Major Shareholders</b>	
10.1. To the extent known to the Issuer, state whether the Issuer 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 16 and 17 of the BNPP 2018 Registration Document (in English)
10.2. A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	Page 17 of the BNPP 2018 Registration Document (in English)
<b>11. Financial Information concerning the Issuer's assets and liabilities, financial position and profits and losses</b>	
11.1. Historical Financial Information  Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year.	Pages 4, 20, 109 to 136, 137 to 242, 440 to 482 of the BNPP 2017 Registration Document (in English)  Pages 4, 20, 113 to 148, 466 to 502, of the BNPP 2018 Registration Document (in English)
11.2. Financial statements	Pages 137 to 236, 439 to 476 of the BNPP 2017 Registration Document (in English)

If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.	Pages 149 to 269, 465 to 502 of the BNPP 2018 Registration Document (in English)
11.3. Auditing of historical annual financial information	
11.3.1. A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.	Pages 237 to 242, 477 to 482 of the BNPP 2017 Registration Document (in English)  Pages 270 to 276, 503 to 508 of the BNPP 2018 Registration Document (in English)
11.3.2. An indication of other information in the registration document which has been audited by the auditors.	Pages 94, 564 to 565 of the BNPP 2017 Registration Document (in English)  Pages 98, 590 to 591 of the BNPP 2018 Registration Document (in English)
11.4. Age of latest financial information	
11.4.1. The last year of audited financial information may not be older than 18 months from the date of the registration document.	Pages 140 and 440 of the BNPP 2017 Registration Document (in English)  Pages 152 and 466 of the BNPP 2018 Registration Document (in English)
11.5. Interim and other financial information	
11.5.1. If the issuer has published quarterly or half yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half yearly financial information has been reviewed or audited the audit or review report must also be included. If the quarterly or half yearly financial information is unaudited or has not been reviewed state that fact.	Pages 4 to 69 of the First Update to the BNPP 2018 Registration Document (in English)
11.6. Legal and arbitration proceedings	Pages 248 and 249 of the BNPP 2018 Registration Document (in English)  Pages 97 to 99 of the First Update to the BNPP 2018 Registration Document (in English)



<b>BNP PARIBAS ISSUANCE B.V.</b>		
	Extract of the Annex IV of the European Regulation 809/2004/EC	
13.	Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	
13.1	Historical Financial Information	Pages 5-18 of the 2017 BNPP B.V. Annual Report  Pages 5-18 of the 2018 BNPP B.V. Annual Report
13.3	Auditing of historical annual financial information	
13.3.1	A statement that the historical financial information has been audited.	Pages 20-23 of the 2017 BNPP B.V. Annual Report  Pages 20-24 of the 2018 BNPP B.V. Annual Report
13.3.2	An indication of other information in the registration document which has been audited by the auditors.	N/A
13.3.3	Where financial data in the registration document is not extracted from the issuer's audited financial statements state the source of the data and state that the data is un-audited.	N/A
13.4	Age of latest financial information	
13.4.1	The last year of audited financial information may not be older than 18 months from the date of the registration document.	Pages 5-18 of the 2018 BNPP B.V. Annual Report
13.5	Interim and other financial information	
13.5.1	If the issuer has published quarterly or half yearly financial information since the date of its last audited financial statements, these must be included in the registration document.	N/A
13.5.2	If the registration document is dated more than nine months after the end of the last audited financial year, it must contain interim financial information, covering at least the first six months of the financial year. If the interim financial information is un-audited state that fact.	N/A

Each of the documents incorporated by reference in (b) to (e) above will only be made available by the relevant Issuer or the Guarantor (if applicable) to which such document relates. In addition, copies of any documents

incorporated by reference will be made available, free of charge, by BNP Paribas Securities Services ("**BP2S**"), BNP Paribas Arbitrage S.N.C. ("**BNPA**") and the other Agents. Requests for such documents should be directed to the specified office of such Agent. Such documents will, along with this Base Prospectus, be available for viewing via the websites of BNPP ([www.produitsdebourse.bnpparibas.fr](http://www.produitsdebourse.bnpparibas.fr); [www.bnpparibasmarkets.be](http://www.bnpparibasmarkets.be) or [www.bnpparibasmarkets.nl](http://www.bnpparibasmarkets.nl); [www.educatedtrading.bnpparibas.se](http://www.educatedtrading.bnpparibas.se); <https://www.productoscotizados.com/home/>).

## GENERAL DESCRIPTION OF THE PROGRAMME AND PAYOUT METHODOLOGY UNDER THIS BASE PROSPECTUS

<b>Issuers</b>	BNP Paribas Issuance B.V. (" <b>BNPP B.V.</b> ")  BNP Paribas (" <b>BNPP</b> " and, together with its consolidated subsidiaries, the " <b>Group</b> ").
<b>Guarantor</b>	BNP Paribas.
<b>Description of the Programme under this Base Prospectus</b>	Warrant and Certificate Programme
<b>Securities</b>	Securities may be issued as Index Securities, Share Securities, ETI Securities, Debt Securities, Commodity Securities, Currency Securities or Futures Securities or open end turbo Certificates which will be redeemed on a date determined by the Issuer, acting in good faith, subject as provided herein (" <b>OET Certificates</b> "), or any other or further type of warrants or certificates including Hybrid Securities where the Underlying Reference may be any combination of such indices, shares, interests in exchange traded instruments, debt instruments (or debt futures or options contracts), commodities, currencies or futures contracts or other asset classes or types.
<b>Governing Law</b>	The Securities and the Guarantee will be governed by French law.
<b>Payout Methodology</b>	<p>The amount(s) (if any) payable or deliverable, as applicable, under the Securities will be comprised of the following components (each a "<b>Product Component</b>"): </p> <ul style="list-style-type: none"> <li>(i) on final redemption or exercise, the Cash Settlement Amount (see Conditions 18 (<i>Definitions (Warrants)</i>) and 25 (<i>Definitions (Certificates)</i>), and Payout Conditions 1);</li> <li>(ii) if Automatic Early Redemption or Automatic Early Expiration is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event or an Automatic Early Expiration Event occurs, the Automatic Early Redemption Amount or Automatic Early Expiration Payout Amount, as applicable, (see Conditions 22.8 (<i>Automatic Early Expiration (Warrants)</i>) and 29.6(b) (<i>Automatic Early Redemption (Certificates)</i>));</li> <li>(iii) if an Issuer Call Option or Holder Put Option is specified as applicable in the applicable Final Terms, the relevant Optional Redemption Amount (see Conditions 29.2 (<i>Issuer Call Option</i>) and 29.3 (<i>Holder Put Option</i>); and/or</li> <li>(iv) in the case of Physical Delivery Securities, the Entitlement (see Conditions 18 (<i>Definitions (Warrants)</i>) and 25 (<i>Definitions (Certificates)</i>)).</li> </ul> <p>The terms of a Series of Securities are comprised of (i) the Conditions, (ii) the Annex relevant to the relevant Underlying References and (iii) if</p>

selected in the applicable Final Terms, the Payout(s) selected from Annex 1 to the Conditions (the "**Payout Conditions**") specified in the applicable Final Terms and the related variables specified in the applicable Final Terms (including the relevant valuation provisions) for such Payout(s) (as selected from the Payout Conditions).

**Investors must review the Conditions, the Annex relevant to the relevant Underlying Reference and the Payout Conditions, together with the applicable Final Terms to ascertain the terms and conditions applicable to the Securities.**

## **Exempt Securities**

The requirement to publish a prospectus under the Prospectus Directive only applies to Securities which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)). Under this Base Prospectus, the Issuers may issue Exempt Securities (being Securities for which no prospectus is required to be published under the Prospectus Directive). In the case of Exempt Securities, any terms and conditions not contained in this Base Prospectus which are applicable to such Exempt Securities will be set out in a pricing supplement document (the "**Pricing Supplement**"). The Agency Agreement, as amended or supplemented from time to time (as defined in the Conditions), sets out the form of Pricing Supplement for Exempt Securities which are Securities. For the purposes of any Exempt Securities, references in the Conditions to "Final Terms" shall be deemed to include a reference to "Pricing Supplement".

## **Taxation**

The Holder must pay all taxes, duties and/or expenses arising from the disposal, exercise and settlement or redemption of the Securities and/or the delivery or transfer of the Entitlement.

The relevant Issuer and the Guarantor (if any) shall deduct from amounts payable or assets deliverable to Holders certain taxes and expenses not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent determines are attributable to the Securities.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code.

In addition, if the Securities are deemed to be Specified Securities for the purpose of Section 871(m) of the Code, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities,

the Issuer shall be entitled to withhold on any "dividend equivalent" payment (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.

Payments on the Securities that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to the net dividends payable on such U.S. securities or net total returns of the U.S. components of such index. In calculating the relevant payment amount the Issuer has withheld and the holder will be deemed to have received 30 per cent. of any "dividend equivalent" payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities or U.S. dividend paying index components, as the case may be. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

## FORM OF FINAL TERMS

[The Base Prospectus dated 3 July 2019 expires on 2 July 2020. The updated Base Prospectus shall be available for viewing free of charge on the website of the AFM and <https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>.]<sup>2</sup>

### FINAL TERMS DATED [●]

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

*(incorporated in The Netherlands)*  
*(as Issuer)*

Legal entity identifier (LEI): 7245009UXRIGIRYOB48]

#### BNP Paribas

*(incorporated in France)*  
*(as [Issuer] [Guarantor])*

Legal entity identifier (LEI): R0MUWSFPU8MPRO8K5P83

(Warrant and Certificate Programme)

*[insert title of Securities]*

#### [BNP Paribas Arbitrage S.N.C.

*(as Manager)]*

Any person making or intending to make an offer of the Securities may only do so[:

- (i) in those Non-exempt Offer Jurisdictions mentioned in Paragraph 37 of Part A below, provided such person is a Manager or an Authorised Offeror (as such term is defined in the Base Prospectus) and that the offer is made during the Offer Period specified in that paragraph and that any conditions relevant to the use of the Base Prospectus are complied with; or
- (ii) otherwise]<sup>3</sup> in circumstances in which no obligation arises for the Issuer[, the Guarantor] or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

[Neither][None of] the Issuer [nor], [the Guarantor or] any Manager has authorised, [n]or [do they] authorise[s], the making of any offer of Securities in any other circumstances.

[Investors should note that if a supplement to or an updated version of the Base Prospectus referred to below is published at any time during the Offer Period (as defined below), such supplement or updated base prospectus, as the case may be, will be published and made available in accordance with the arrangements applied to the original publication of these Final Terms. Any investors who have indicated acceptances of the Offer (as defined below) prior to the date of publication of such supplement or updated version of the Base Prospectus, as the case may be, (the "**Publication Date**") have the right within two working days of the Publication Date to withdraw their acceptances.]<sup>4</sup>

<sup>2</sup> Include in respect of an issue of Certificates for which the public offer periods spans an update to the Base Prospectus or the Issue Date occurs after an update to the Base Prospectus where the public offer period concludes prior to the update to the Base Prospectus

<sup>3</sup> Include this wording where a non-exempt offer of Securities is anticipated.

<sup>4</sup> Include in respect of issues of Securities where the public offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus.

## PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 3 July 2019 [, [the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate)] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC, (as amended or superseded, the "**Prospectus Directive**") (the "**Base Prospectus**"). This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") [and BNP Paribas (the "**Guarantor**")]] and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. [A summary of the Securities (which comprises the Summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.] **[The Base Prospectus [and any Supplement(s) to the Base Prospectus] [and these Final Terms]<sup>5</sup> [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge at the specified offices of the Security Agents.]]**

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] [, [the][each] Supplement[s] to it published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to it which may have been published and approved before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate)] which are incorporated by reference in the Base Prospectus dated [current date]. This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated [current date] [and any Supplement[s] to it], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"), including the Conditions incorporated by reference in the Base Prospectus. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**"), [BNP Paribas (the "**Guarantor**")]] and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus. [A summary of the Securities (which comprises the Summary in the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms][**The Base Prospectus [and any Supplement[s] to the Base Prospectus] [and these Final Terms]<sup>6</sup> [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge at the specified offices of the Security Agents.]**

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

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<sup>5</sup> Include in respect of issues of Securities that are listed.

<sup>6</sup> Include in respect of issues of Securities that are listed.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [date] [the] [each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved (such date of publication and approval, the "**Publication Date**") before the issue of any additional amount of Securities (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate) (together, the "**2019 Base Prospectus**"), notwithstanding the approval of an updated base prospectus which will replace the 2019 Base Prospectus (the "**2020 Base Prospectus**"). This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and (i) prior to the Publication Date, must be read in conjunction with the 2019 Base Prospectus, as supplemented, or (ii) on and after the Publication Date, must be read in conjunction with the 2020 Base Prospectus, as supplemented, save in respect of the Conditions which are extracted from the 2019 Base Prospectus as supplemented, as the case may be. The 2019 Base Prospectus, as supplemented, constitutes, and the 2020 Base Prospectus will constitute, a base prospectus for the purposes of the Prospectus Directive. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") [and BNP Paribas (the "**Guarantor**") and the offer of the Securities is only available on the basis of the combination of these Final Terms and [either] [(i) prior to the Publication Date, the 2019 Base Prospectus, as supplemented, or (ii)] [on or after the Publication Date, the 2020 Base Prospectus, as supplemented], save in respect of the Conditions which are extracted from the 2019 Base Prospectus, as the case may be. The 2019 Base Prospectus, as supplemented, [and these Final Terms]<sup>7</sup> are available, and the 2020 Base Prospectus will be available for viewing at [address] [and] [website] and copies may be obtained from [address].]

*[Include whichever of the following apply or specify as "Not applicable" or "(N/A)". Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or sub paragraphs. Italics denote directions for completing the Final Terms. However, such numbering may change where individual paragraphs or sub-paragraphs are removed.]*

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

*[When completing any final terms consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

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

## SPECIFIC PROVISIONS FOR EACH SERIES

SERIES NUMBER	[TRAN CHE NUMB ER	NO. OF SECURI TIES ISSUED	NO OF SECURI TIES	[NO. OF WARR ANTS PER UNIT]	ISI N/ [ ]	[COMM ON CODE][L OCAL CODE]	[MNE M ONIC CODE	[C FI	[FI SN	ISSUE PRICE PER [SECURIT Y/UNIT]	[CA LL/ PUT	[EXER CISE PRICE	[REDEM PTION DATE	[EXERCIS E [PERIOD/ DATE]	[RELE- VANT JURISDIC TION]	[PAR ITY	[SPECI FIED SECURI TIES PURSU ANT TO SECTIO N 871(m) <sup>8</sup> [Yes / No]	<i>[Insert other denti fier code or varia ble]</i> [●]
[●]	[●]	[●]	[Up to {●}]	[●]	[●]	[●]	[●]	[●]	[●]	[[insert currency] [●]]/[●]% of the Notional Amount]	[call/ put [●]]	[[insert currency [●]]	[●]/[Open End] <sup>9</sup> [●]]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[Up to]{●}]	[●]] <sup>10</sup>	[●]	[●]	[●]] <sup>11</sup>	[●]	[●]	[[insert currency] [●]]/[●]] <sup>12</sup>	[call/ put] [●]]	[[insert currency [●]] <sup>12</sup>	[●]/[Open End]]	[●]] <sup>13</sup>	[●]] <sup>14</sup>	[●]	[Yes / No]]	[●]

<sup>7</sup> Include in respect of issues of Securities that are listed.

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

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

<sup>10</sup> Include for Warrants if applicable.

<sup>11</sup> Only applies where the Securities are listed on Euronext Paris or Euronext Amsterdam.

<sup>12</sup> Include for Warrants.

<sup>13</sup> Include for Warrants.

<sup>14</sup> Include for Certificates.



(Where the Final Terms cover more than one series of Securities, the table above should be completed for all variables which will differ across the different series of Securities. The relevant line item for any such variable in the General Provisions below should include the following language: "See the Specific Provisions for each Series [above]").)

## GENERAL PROVISIONS

The following terms apply to each series of Securities:

1. Issuer: [BNP Paribas Issuance B.V.]/[BNP Paribas]
2. [Guarantor: BNP Paribas]
3. Trade Date: [specify]
4. Issue Date [and Interest Commencement Date]: [specify] [Applicable only for Fixed Rate Interest or Coupon Rate Payout 3000/1 - Digital Coupon / Coupon Rate Payout 3000/2 - Snowball Digital Coupon]
5. Consolidation: [The Securities are to be consolidated and form a single series with the [insert title of relevant series of Securities] issued on [insert issue date]/[Not applicable]]
6. Type of Securities:
  - (a) [Warrants/Certificates]
  - (b) The Securities are [Index Securities/Share Securities/ ETI Securities / Debt Securities / Commodity Securities/ Currency Securities/ Futures Securities/Hybrid Securities].

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

Automatic Exercise [applies/does not apply]. (N.B. Automatic Exercise may only apply in relation to Cash Settled Warrants/Automatic Exercise will always apply to Swedish Dematerialised Warrants).]<sup>15</sup>

[The provisions of Annex 2 (Additional Terms and Conditions for Index Securities) shall apply.] [The provisions of Annex 3 (Additional Terms and Conditions for Share Securities) shall apply.] [The provisions of Annex 4 (Additional Terms and Conditions for ETI Securities) shall apply.] [The provisions of Annex 5 (Additional Terms And Conditions For Debt Securities) shall apply.] [The provisions of Annex 6 (Additional Terms and Conditions for Commodity Securities) shall apply.] [The provisions of Annex 7 (Additional Terms and Conditions for Currency Securities) shall apply.] [The provisions of Annex 8

<sup>15</sup> Include for Warrants.

(Additional Terms and Conditions for Futures Securities) shall apply.] [The provisions of Annex 9 (Additional Terms and Conditions for OET Certificates) shall apply.]

Unwind Costs: [Applicable/Not applicable]

[Waiver of Set-Off: Not applicable]

[Essential Trigger: Applicable]

7. Form of Securities: [Dematerialised bearer form (*au porteur*)] [Swedish Dematerialised Securities] [Materialised bearer form]<sup>16</sup>
8. Business Day Centre(s): The applicable Business Day Centre[s] for the purposes of the definition of "Business Day" in Condition 1 [is/are] [●].
9. Settlement: Settlement will be by way of [cash payment (Cash Settled Securities)] [and/or] [physical delivery (Physical Delivery Securities)]. (*N.B. Swedish Dematerialised Securities may only be Cash Settled Securities*)  
  
[Issuer's Option to Substitute: Not applicable]
10. Rounding Convention for Cash Settlement Amount: [Rounding Convention 1 (*only applicable in the case of Warrants*)]/[Rounding Convention 2]/[Not applicable]
11. Variation of Settlement:
  - (a) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Securities. (*N.B. the Issuer's option to vary settlement is not applicable to Swedish Dematerialised Securities*)  
  
(*N.B. If the Issuer does not have the option to vary settlement in respect of the Securities, delete the sub-paragraphs of this paragraph 11*)
  - (b) Variation of Settlement of Physical Delivery Securities: [Notwithstanding the fact that the Securities are Physical Delivery Securities, the Issuer may make payment of the Cash Settlement Amount on the [Settlement Date (*in the case of Warrants*)] / [Redemption Date (*in the case of Certificates*)], and the provisions of Condition 5 will apply to the Securities.]/[The Issuer will procure delivery of the Entitlement in respect of the Securities and the provisions of Condition 5 will not apply to the Securities.]
12. Final Payout  
  
[ETS Payout  
  
[Yield Enhancement Products:  
  
[ETS Final Payout 1250/4  
[Insert related provisions from Conditions]]]  
  
[Participation Products:  
  
[ETS Final Payout 1320/1

<sup>16</sup> Applicable only to Clearstream Frankfurt Securities

[Insert related provisions from Conditions]]]

**[Leverage Products:**

[ETS Final Payout 2100

*Insert related provisions from Conditions]]*

[ETS Final Payout 2200/1

*Insert related provisions from Conditions]]*

[ETS Final Payout 2200/2

*Insert related provisions from Conditions]]*

[ETS Final Payout 2210

*Insert related provisions from Conditions]]*

[ETS Final Payout 2230

*Insert related provisions from Conditions]]]*

**[Constant Leverage Products:**

[ETS Final Payout 2300

*Insert related provisions from Conditions]]]*

**[SPS Payout**

**[SPS Reverse Convertible Securities**

[SPS Final Payout 3000 - Reverse Convertible Securities

*Insert related provisions from Conditions]]*

**[SPS Vanilla Products**

[SPS Final Payout 3001 - Vanilla Call Securities

*Insert related provisions from Conditions]]]*

Aggregation:

[Applicable / Not applicable]

**13.** Relevant Asset(s):

[The relevant asset to which the Securities relate [is/are]

[●].]/[Not applicable]

**14.** Entitlement:

[Applicable/Not applicable/Physical Delivery Option [1/2/3]]

[The Entitlement Amount in relation to each Security is:

(a) The Entitlement will be evidenced by [insert details of how the Entitlement will be evidenced].]

(b) [The Entitlement will be [delivered] [Delivered] [insert details of the method of delivery of the Entitlement].]

*(N.B. Only applicable in relation to Physical Delivery Securities)*

15. [Exchange Rate]/[Conversion Rate] [The applicable rate of exchange for conversion of any amount into the relevant [settlement currency]/[Settlement Currency or Calculation Currency, as applicable] for the purposes of determining the Settlement Price (as defined in the relevant Annex to the Terms and Conditions) or the Cash Settlement Amount (as defined in Condition 1) is *[insert rate of exchange and details of how and when such rate is to be ascertained]/[specify]*/[As specified in the OET Certificate Conditions]/[Not applicable].
16. Settlement Currency: The settlement currency for the payment of [the Cash Settlement Amount] (*in the case of Cash Settled Securities*)/[the Disruption Cash Settlement Price] (*in the case of Physical Delivery Securities*) is [●].
17. Syndication: The Securities will be distributed on a [non-]syndicated basis.  
*[if syndicated, specify names of the Managers]*
18. Minimum Trading Size: *[specify]*/[Not applicable]
19. Principal Security Agent: [BNP Paribas Arbitrage S.N.C.]/ [BNP Paribas Securities Services]/[BNP Paribas Securities Services in Amsterdam]/[BNP Paribas Securities Services, Branch in Spain]/ [BNP Paribas Securities Services, Branch in Frankfurt] *[specify other]*
20. Calculation Agent: [BNP Paribas]/[BNP Paribas Arbitrage S.N.C.]/*[specify other]*[ADDRESS].
21. Governing law: French law
22. [Masse provisions (Condition 9.4): [Contractual representation of Holders/No Masse]<sup>17</sup> / [Full Masse]<sup>18</sup> / [Contractual Masse]<sup>19</sup> / [Not applicable]<sup>20</sup> *[If Condition 9.4(b)(ii) (Full Masse) or Condition 9.4(c)(ii) (Contractual Masse) applies, insert below details of Representative and alternate Representative and remuneration, if any:*  
  
[Name and address of the Representative: [●]]  
  
Name and address of the alternate Representative: [●]]  
  
[The Representation will receive no remuneration/The

<sup>17</sup> Apply "Contractual representation of Holders/No Masse" pursuant to Condition 9.4(a) of the Terms and Conditions of the Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and are traded in amounts or have a notional amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date).

<sup>18</sup> Apply "Full Masse" pursuant to Condition 9.4(b) of the Terms and Conditions in respect the Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and (i) are traded in amounts or have a notional amount of less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) and (ii) are issued inside France..

<sup>19</sup> Apply "Contractual Masse" pursuant to Condition 9.4(c) of the Terms and Conditions of the Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and (i) are traded in amounts or have a notional amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or (ii) are issued outside France ("à l'étranger"), within the meaning of Article L.228-90 of the French *Code de commerce*..

<sup>20</sup> Select "Not applicable" if the Securities do not constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier*.

Representative will receive a remuneration of [●].]

## PRODUCT SPECIFIC PROVISIONS (ALL SECURITIES)

- 23. Index Securities:** [Applicable/Not applicable]
- (a) Index/Basket of Indices/Index Sponsor(s): [specify name of Index/Indices]  
[specify name of Index Sponsor(s)]
- [The [●] Index is a [Component Security]/[Multi-Exchange] Index.]<sup>21</sup>
- [The [●] Index is a Custom Index]<sup>22</sup>
- [Futures Price Valuation [applies to the [●] Index (see item 23(n) below)] / [does not apply to the [●] Index] / [Futures Price Valuation applies to each Index specified in the table in "Specific Provisions for each Series" above (see item 23(n) below)]
- (b) Index Currency: [specify]
- (c) Exchange(s): [specify]/[Not applicable]<sup>23</sup>
- (d) Related Exchange(s): [specify]/[All Exchanges]/[Not applicable]<sup>22</sup>
- (e) Exchange Business Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]/[Not applicable]<sup>22</sup>
- [Exchange/Related: Applicable]
- (f) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]/[Not applicable]<sup>22</sup>
- [Exchange/Related: Applicable ]
- (must match election made for Exchange Business Day)
- (g) Weighting: [The weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in accordance with Annex 2]/[specify other].]/[Not applicable] (N.B. Only applicable in relation to Securities relating to a Basket of Indices)
- (h) Settlement Price: [Official opening level]/[Official closing level]/[level at the Valuation Time]/[Index Condition 9 (Futures Price Valuation) applies]
- (i) Specified Maximum Days of Disruption: [As per Conditions]/[specify] Scheduled Trading Days] / [Not applicable]<sup>22</sup>
- [Specified Maximum Days of Disruption will be equal to

<sup>21</sup> Specify each Component Security Index and/or Multi-Exchange Index (if any).

<sup>22</sup> Specify each Custom Index (if any).

<sup>23</sup> Specify "Not applicable" in the case of ETS Final Payout 2300 if Futures Price Valuation is specified as applicable.

[●]/[twenty]] (N.B. Only applicable in the case of Custom Indices. If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)

- (j) Valuation Time: [Continuous monitoring [*specify other*] and the relevant time on the relevant Settlement Price Date or Averaging Date, as the case may be, is [Scheduled Closing Time (*in the case of Warrants*) or the Valuation Time (*in the case of Certificates*)] each as defined in Condition 1.] [*specify*].]

(N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1. Not applicable in the case of Custom Indices).

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

- (k) [[Cancellation] (*in the case of Warrants*)/[Redemption] (*in the case of Certificates*) on Occurrence of Index Adjustment Event:
- In the case of Warrants:*
- [As per Conditions]
- [Highest Value: [Applicable/Not applicable]]
- [Market Value: [Applicable/Not applicable]]
- [If Highest Value is applicable: Protected Amount: [*specify*]]
- [If the Calculation Agent determines an Index Adjustment Event constitutes a force majeure, Index Condition 3.2(c)(iii) applies]]
- In the case of Certificates:*
- [Delayed Redemption on Occurrence of an Index Adjustment Event: [Applicable/Not applicable]]
- [*If applicable:*
- Principal Protected Termination Amount: [Applicable/Not applicable]
- [Highest Value:[Applicable/Not applicable]]
- [Market Value: [Applicable/Not applicable]]
- [Monetisation Option: [Applicable/Not applicable]]
- [*If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable:*
- Protected Amount: [*specify*] per cent. of the Notional Amount]
- [If the Calculation Agent determines an Index Adjustment Event constitutes a force majeure, Index Condition 3.2(d)(vi)

applies]

(l) Index Correction Period: [As per Conditions/specify]

(m) Additional provisions applicable to Custom Indices: [Applicable/Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Screen Page: [specify]

(ii) Custom Index Business Day: [All Indices Basis/Per Index Basis/Single Index Basis/As per Conditions]

(iii) Scheduled Custom Index Business Day: [All Indices Basis/Per Index Basis/Single Index Basis/As per Conditions]

*(N.B. Must match election made for Custom Index Business Day)*

(iv) Custom Index Correction Period: [As per Conditions/specify]

(v) [Cancellation] *(in the case of Warrants)* [Redemption] *(in the case of Certificates)* on Occurrence of Custom Index Adjustment Event: *In the case of Warrants:*

[As per Conditions]

[Highest Value: [Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[If Highest Value is applicable: Protected Amount: *[specify]*]

[If the Calculation Agent determines a Custom Index Adjustment Event constitutes a force majeure, Index Condition 6.2[(a)/(b)/(c)](ii)(D)III applies.]

*In the case of Certificates:*

[Delayed Redemption on Occurrence of an Index Adjustment Event: [Applicable/Not applicable]]

[Highest Value:[Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

*[If Highest Value or Monetisation Option are applicable: Protected Amount: *[specify]* per cent. of the Notional Amount]*

[If the Calculation Agent determines a Custom Index Adjustment Event constitutes a force majeure, Index Condition 6.2[(a)/(b)/(c)](ii)(E)VI applies]

- (n) Additional provisions applicable to Futures Price Valuation: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rolling Futures Contract Securities: [Yes/No]  
[Related Hedging: Not applicable]
- (ii) Exchange-traded Contract: [specify]/[If the Index Securities are Rolling Futures Contract Securities: Index Condition 9.2 applies]
- (iii) Delivery or expiry month: [specify]/[Not applicable]  
*(Not applicable in the case of Index Securities that are Rolling Futures Contract Securities)*
- (iv) Futures or Options Exchange: [specify]
- (v) Futures Rollover [Date/Period]: [specify]/[Not applicable]
- (vi) First Traded Price: [Applicable]/[Not applicable]  
*[If First Traded Price is applicable: Relevant Time: [specify]]*
- (vii) Relevant FTP Screen Page: [specify]/[Not applicable]
- (viii) Relevant Futures or options Exchange Website: [specify]/[Not applicable]
- (ix) Cut-off Time: [specify]/[Not applicable]
- (x) [Cancellation] *(in the case of Warrants)*/[Redemption] *(in the case of Certificates)* on Non-Commencement or Discontinuance of an Exchange-traded Contract:  
*In the case of Warrants:*  
[As per Conditions ]  
[Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]  
[If Highest Value is applicable: Protected Amount: [specify]]  
[If the Calculation Agent determines a Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, Index Condition 9.2(a)(iii) applies.]  
*In the case of Certificates:*  
[Delayed Redemption on Non-Commencement or



Discontinuance of an Exchange-traded Contract:  
[Applicable/Not applicable]]

[If applicable: Principal Protected Termination Amount:  
[Applicable/Not applicable]]

[Highest Value:[Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

[If Principal Protected Termination Amount, Highest Value  
or Monetisation Option are applicable: Protected Amount:  
[specify] per cent. of the Notional Amount]

[If the Calculation Agent determines a Non-Commencement  
or Discontinuance of an Exchange-traded Contract  
constitutes a force majeure, Index Condition 9.2(b)(vi) or  
9.4(vi) applies]

24. Share Securities/ETI Share Securities: [Applicable/Not applicable]

[Share Securities: [Applicable/Not applicable]]

[ETI Share Securities: [Applicable/Not applicable]]

*(In the case of Hybrid Securities which are Share Securities  
and ETI Share Securities, repeat sub-paragraphs (a) to (t)  
below for Share Securities and ETI Securities to which the  
ETI Share Provisions apply, as required)*

(a) Share(s)/Share  
Company/Basket  
Company/GDR/ADR/ETI  
Interest/Basket of ETI  
Interests:

[insert type of Share(s) and Share Company/Basket  
Companies/ETI Interest(s) and ETI(s)]

[Insert details of GDR/ADR]<sup>24</sup>

[Stapled Shares applicable]

[Insert details of Stapled Shares and Stapled Share  
Constituents]<sup>25</sup>

(b) Relative Performance Basket: [Not applicable/specify]

*(Always specify as "Not applicable" where ETI Share  
Securities is specified as applicable)*

(c) Share/ETI Interest Currency: [specify]

(d) ISIN of Share(s)/ETI [specify]

<sup>24</sup> Specify each GDR or ADR (if any). In the case of Share Securities relating to a GDR/ADR, complete Share Securities Final Terms as applicable for GDR/ADR reference asset(s).

<sup>25</sup> Specify each Stapled Share Constituent comprising the Stapled Shares. In the case of Share Securities relating to Stapled Shares, complete Share Securities Final Terms as applicable for Stapled Shares reference asset(s).

- Interest(s):
- (e) Exchange(s): [specify]
- (f) Related Exchange(s): [specify]/[All Exchanges]
- (g) Exchange Business Day: [Single [Share/ETI Interest] Basis/All [Share/ETI Interest] Basis/Per [Share/ETI Interest] Basis/As per Conditions]
- (h) Scheduled Trading Day: [Single [Share/ETI Interest] Basis/All [Share/ETI Interest] Basis/Per [Share/ETI Interest] Basis/As per Conditions]  
(must match election made for Exchange Business Day)
- (i) Weighting: [The weighting to be applied to each item comprising the Basket of [Share/ETI Interest] to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with Annex [3]/[4]]/[specify other]. ]/[Not applicable] (N.B. Only applicable in relation to Securities relating to a Basket of Shares or a Basket of ETI Interests)]
- (j) Settlement Price: [Official closing price]/[Price at the Valuation Time]]
- (k) Specified Maximum Days of Disruption: [As per Conditions]/[[specify] Scheduled Trading Days].
- (l) Valuation Time: [Continuous monitoring] / [specify other] and the relevant time on the relevant Settlement Price Date or Averaging Date, as the case may be, is the Scheduled Closing Time as defined in Condition 1.] [specify] (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1)]
- (m) [Cancellation] (in the case of Warrants)/[Redemption] (in the case of Certificates) on Occurrence of an Extraordinary Event: *In the case of Warrants:*  
[As per Conditions ]  
[Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]  
[If Highest Value is applicable: Protected Amount: [specify]]  
[If the Calculation Agent determines that an Extraordinary Event constitutes a force majeure, Share Condition 4.2(b)(iii) or 4.2(c)(iii) applies.]  
*In the case of Certificates:*  
[Delayed Redemption on Occurrence of an Extraordinary Event: [Not applicable/Applicable]]  
[If applicable:  
Principal Protected Termination Amount: [Applicable/Not applicable] ]

[Highest Value:[Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

*[If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable: Protected Amount: [specify] per cent. of the Notional Amount]]*

[If the Calculation Agent determines that an Extraordinary Event constitutes a force majeure, Share Condition 4.2(b)(vi) or 4.2(d)(vi)]/[ETI Condition 12.2(b)(iii) or 12.2(c)(vi)] applies]

(n) Share/ETI Interest Correction Period [As per Conditions/specify]

(o) [Dividend Payment: [Applicable/Not applicable]]<sup>26</sup>

(p) Listing Change: [Applicable/Not applicable]

(q) Listing Suspension: [Applicable/Not applicable]

(r) Illiquidity: [Applicable/Not applicable]

(s) Tender Offer: [Applicable/Not applicable]

(t) Hedging Liquidity Event: [Applicable/Not applicable]

[Maximum Hedging Liquidity Level: [[●] per cent.]/[As per Conditions]]

## 25. ETI Securities

[Applicable/Not applicable]

[ETI Share Provisions: [Applicable – see item 24 (Share Securities/ETI Share Securities) above]/[Not applicable]

*(If applicable and sub-paragraphs (a) to (dd) are not required for Hybrid Securities, delete sub-paragraphs (a) to (dd) and complete item 26 (Share Securities/ETI Share Securities above).*

(a) [ETI/ETI Basket: [specify]

(b) ETI Interest(s): [insert type of ETI Interest(s)]

(c) ETI Related Party: [As per Conditions]/[specify]

(d) ETI Documents: [As per Conditions]/[specify]

(e) Exchange(s): [specify]/[Not Applicable]

(f) Related Exchange: [specify]/[All Exchanges]/[Not Applicable]

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<sup>26</sup> Not applicable in respect of ETI Securities.

- (g) Scheduled Trading Day: [All ETI Interest Basis/Per ETI Interest Basis/Single ETI Interest Basis]
- (h) Exchange Business Day: [All ETI Interest Basis/Per ETI Interest Basis/Single ETI Interest Basis]
- (i) Calculation Date(s): [As per Conditions]/[specify]
- (j) Initial Calculation Date: [specify]/[Not applicable]
- (k) Final Calculation Date: [specify]/[Not applicable]
- (l) Hedging Date: [specify]
- (m) Investment/AUM Level: [As per Conditions]/[specify]
- (n) Value per ETI Interest Trading Price Barrier: [As per Conditions]/[specify]
- (o) Number of Value Publication Days: [[●] calendar days] [[●] Value Business Days]  
[Value Business Day Centre(s): [specify]]  
  
(Only applicable if Number of Value Publication Days is calculated by reference to Value Business Days)
- (p) Value Trigger Percentage: [As per Conditions]/[specify]
- (q) Value Trigger Period: [As per Conditions]/[specify]
- (r) Basket Trigger Level: [As per Conditions]/[specify]
- (s) Settlement Price/Closing Price: [As per Conditions]/[specify]
- (t) Weighting: [The Weighting to be applied to each ETI Interest comprising the ETI Basket is [specify]]/[Not applicable]
- (u) Valuation Time: [specify]
- (v) Specified Maximum Days of Disruption: [As per Conditions]/[specify]
- (w) Additional Extraordinary ETI Event(s): [specify]
- (x) Maximum Stock Loan Rate: [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant ETI Interest] is [●].]
- (y) ETI Interest Correction Period: [As per Conditions/specify]
- (z) Termination Amount: In the case of Warrants:  
  
[As per Conditions]/[Highest Value]/[Market Value]  
  
[If Highest Value is applicable: Protected Amount: [specify]]

*In the case of Certificates:*

[Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[specify]/[Market Value]/[Highest Value]/[Monetisation Option]

- (aa) [Simple Interest Spread: [As per Conditions]/[specify]]
- (bb) Termination Date: [specify]
- (cc) [Delayed Redemption on Occurrence of an Extraordinary ETI Event (*in the case of Certificates*): [Applicable/Not applicable]
- (dd) [Protected Amount: *[If Highest Value, Monetisation Option or Delayed Redemption on Occurrence of an Extraordinary ETI Event and Principal Protected Termination Amount are applicable: [specify] per cent. of the Notional Amount]]]*

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

- (a) Debt Instrument(s): [specify]/[Not applicable – Synthetic Debt Instrument applies – see item 26(m) below]/[Not applicable (*if Futures Price Valuation applicable*)]
- (b) Debt Instrument Currency: [specify]
- (c) Settlement Price: [As per Debt Condition 1 applies] / [*If Futures Price Valuation applicable*] Debt Condition 6 (*Futures Price Valuation*) applies (please refer to below)
- (d) Reference Price: [The Reference Price[s] for [*insert relevant Debt Instrument(s)*] is/are the [bid price]/[mid price]/[offer price]/[bid yield]/[mid yield]/[offer yield].]/[Not applicable]  
*(Not applicable if Futures Price Valuation applicable)*
- (e) Nominal Amount: [The relevant nominal amount is [●] and the Relevant Screen Page is [●].] [Not applicable]  
*(Not applicable if Futures Price Valuation applicable)*
- (f) Exchange Business Day Centre(s): [specify]
- (g) Valuation Time: [specify]
- (h) Specified Maximum Days of Disruption: [[As defined in Condition 1]/[specify] Scheduled Trading Days.] [Not applicable] (*Not applicable if Futures Price Valuation applicable*)
- (i) [Cancellation] (*in the case of Warrants*)/[Redemption] (*in the case of Certificates*) on *In the case of Warrants:*  
[As per Conditions ]

Occurrence of Debt Instrument  
Redemption Event:

[Highest Value: [Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[If Highest Value is applicable: Protected Amount: *[specify]*]

[If the Calculation Agent determines that the Debt Instrument Redemption Event constitutes a force majeure constitutes a force majeure, Debt Condition 5(a)(iii) applies.]

*In the case of Certificates:*

[Delayed Redemption on Occurrence of Debt Instrument Redemption Event:

[Applicable/Not applicable]

*[If applicable:*

Principal Protected Termination Amount: [Applicable/ Not applicable]]

[Highest Value: [Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

*[If Principal Protected Termination Amount is applicable: Highest Value or Monetisation Option are applicable:*

Protected Amount: *[specify]* per cent. of the Notional Amount]]

[If the Calculation Agent determines that the Debt Instrument Redemption Event constitutes a force majeure, Debt Condition 5(b)(vi) applies]

*(Not applicable if Futures Price Valuation applicable)*

(j) Debt Instrument Correction  
Period:

[As per Conditions]/*[specify]*/[Not applicable]

*(Not applicable if Futures Price Valuation applicable)*

(k) Debt Instrument Issuer:

*[specify]*/[Not applicable]

*(Not applicable if Futures Price Valuation applicable)*

(l) Weighting:

[Not applicable/The weighting to be applied to each item comprising the Basket of Debt Instruments to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment.]

(m) Additional provisions  
applicable to Futures Price  
Valuation:

[Applicable/Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Rolling Futures Contract Securities: [Yes/No]  
[Related Hedging: Not applicable]
- (ii) Exchange-traded Contract(s): [specify]/[If the Debt Securities are Rolling Futures Contract Securities: Debt Condition 7 applies]
- (iii) Synthetic Debt Instrument(s): [specify](If the Exchange-traded Contract relates to a Synthetic Debt Instrument, include description of the key terms of the synthetic debt instrument)/[Not applicable]
- (iv) Delivery or expiry month: [specify]/[Not applicable]  
(Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities)
- (v) Period of Exchange-traded Contract(s): [specify]/[Not applicable]  
(Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities)
- (vi) Futures or Options Exchange: [specify]
- (vii) Futures Rollover [Date/Period]: [Not applicable]/[specify]
- (viii) Cancellation(in the case of Warrants)/Redemption (in the case of Certificates) on Non-Commencement or Discontinuance of an Exchange-traded Contract:  
In the case of Warrants:  
[As per Conditions]  
[Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]  
[If Highest Value is applicable: Protected Amount: [specify]]  
[If the Calculation Agent determines that the Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, Debt Condition 7(a)(iii) and/or 9(a)(iii) applies.]  
In the case of Certificates:  
[Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract:  
[Applicable/Not applicable]  
[If applicable: Principal Protected Termination Amount: [Applicable/Not applicable]]  
[Highest Value: [Applicable/Not applicable]]  
[Market Value: [Applicable/Not applicable]]  
[Monetisation Option: [Applicable/Not applicable]]]

[If Principal Protected Termination Amount is applicable:  
Highest Value or Monetisation Option are applicable:

Protected Amount: *[specify]* per cent. of the Notional Amount]]

[If the Calculation Agent determines that the Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, Debt Condition 7(b)(vi) or 9(b)(vi) applies]

(ix) Daily Settlement Price [As per Conditions][*specify*]  
Correction Period:

27. Commodity Securities: [Applicable/Not applicable]

(a) Commodity/Commodities/  
Commodity Index/Commodity  
Indices: *[specify Commodity/Commodities/Commodity Index/  
Commodity Indices]*

[The Sponsor[s] of the Commodity [Index/Indices] [is/are]  
[●]]

(b) Pricing Date(s): *[specify]*

(c) Initial Pricing Date: *[specify]*

(d) Final Pricing Date: *[specify]*

(e) Commodity Reference Price: *[specify]*

The Price Source is/are [●]<sup>27</sup>

(f) Delivery Date: *[specify]*/[Not applicable]

(g) Nearby Month: *[specify]*/[Not applicable]

(h) Specified Price: *[specify]*/[Not applicable]

(i) Exchange: *[specify]*/[Not applicable]

(j) Disruption Fallback(s): *[specify]*/[As per Conditions]

(k) Valuation Time: [Continuous monitoring *[specify other]* and the relevant time on *[insert relevant date(s)]*]/[*specify*]

(l) Specified Maximum Days of  
Disruption: *[specify]* [[●] Commodity Business Days]<sup>28</sup>/[As per  
Conditions]

(m) Weighting: [The Weighting to be applied to each item comprising the  
Commodity Basket is *[specify]*] / [Not applicable]

(n) Rolling Futures Contract [Yes/No]

<sup>27</sup> Delete if using automated Commodity Reference Prices

<sup>28</sup> Only applicable in respect of Commodity Securities linked to a single Commodity.



Securities:

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

Futures Rollover [Not applicable]/[specify]  
[Date/Period]:

- (o) [Cancellation] *(in the case of Warrants)* / [Redemption] *(in the case of Certificates)* following Market Disruption Event or Commodity Index Adjustment Event:
- In the case of Warrants:*
- [As per Conditions]
- [Highest Value]/[Market Value]
- [If Highest Value is applicable: Protected Amount: [specify]]
- [If the Calculation Agent determines a Market Disruption Event or Commodity Index Adjustment Event constitutes a force majeure, Commodity Condition 3(c)(iii) or 4(b)(ii)(C) applies.]
- In the case of Certificates:*
- [Commodity Condition 3(d)(i) applies]/[Highest Value]/[Market Value]/[Monetisation Option]
- [If Highest Value or Monetisation Option are applicable: Protected Amount: [specify] per cent. of the Notional Amount]*
- [If the Calculation Agent determines a Market Disruption Event or Commodity Index Adjustment Event constitutes a force majeure, Commodity Condition 3(d)(v) or 4(b)(iii)(E) applies.]

**28.** Currency Securities: [Applicable/Not applicable]

- (a) Relevant Screen Page: [specify]
- (b) The relevant base currency (the "Base Currency") is: [specify]
- (c) The relevant subject [currency/currencies] ([the]/[each a] "Subject Currency") [is/are]: [specify]
- (d) Weighting: [specify] / [Not applicable]
- (e) Price Source: [specify]
- (f) Specified Maximum Days of Disruption: [specify]/[five] Scheduled Trading Days
- (g) Settlement Price: [specify]
- (h) Valuation Time: [specify]

- (i) [Cancellation] (*in the case of Warrants*)[Redemption] (*in the case of Certificates*) on Occurrence of a Disruption Event:
- In the case of Warrants:*
- [As per Conditions]
- [Highest Value]/[Market Value ]
- [If Highest Value is applicable: Protected Amount: *[specify]*]
- [If the Calculation Agent determines a Disruption Event constitutes a force majeure, Currency Condition 3(b)(iii) applies.]
- In the case of Certificates:*
- [Illiquidity Disruption: Not applicable]
- [Disruption Event Postponement: Not applicable]
- [Delayed Redemption on Occurrence of an Disruption Event: [Applicable/Not applicable]]
- [If applicable:*
- Principal Protected Termination Amount: [Applicable/Not applicable]]
- [Highest Value:[Applicable/Not applicable]]
- [Market Value: [Applicable/Not applicable]]
- [Monetisation Option: [Applicable/Not applicable]]
- [If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable: Protected Amount: [specify] per cent. of the Notional Amount]*
- [If the Calculation Agent determines a Disruption Event constitutes a force majeure, Currency Condition 3(c)(vi) applies]
- 29. Futures Securities:** [Applicable/Not applicable]
- (a) Future(s): *[insert type of Future(s)]*
- (b) Exchange(s): *[specify]*
- (c) Exchange Business Day: [Single Future Basis/All Futures Basis/Per Futures Basis/As per Conditions]
- (d) Scheduled Trading Day: [Single Future Basis/All Futures Basis/Per Futures Basis/As per Conditions]
- (must match election made for Exchange Business Day)*
- (e) Weighting: [The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with

Annex 8]/[specify other]]/[Not applicable]. (N.B. Only applicable in relation to Securities relating to a Basket)

- (f) Specified Maximum Days of Disruption: [As per Conditions]/[specify] Scheduled Trading Days].
- (g) Valuation Time: [Continuous monitoring [specify other] and the relevant time on the Valuation Date, Observation Date or Averaging Date, as the case may be, is the Scheduled Closing Time as defined in Condition 1.] [specify] (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1)]
- (h) Futures Correction Period: [As per Conditions/specify]
- (i) [Cancellation] (in the case of Warrants)/[Redemption] (in the case of Certificates) on Occurrence of Futures Adjustment Event
- In the case of Warrants:*
- [As per Conditions]
- Highest Value: [Applicable/Not applicable]]
- [Market Value: [Applicable/Not applicable]]
- [If Highest Value is applicable: Protected Amount: [specify]]
- [If the Calculation Agent determines a Futures Adjustment Event constitutes a force majeure, Futures Condition 3.1(b)(iii) applies.]
- In the case of Certificates*
- [Delayed Redemption on Occurrence of Futures Adjustment Event: [Applicable/Not applicable]]
- [If applicable:
- Principal Protected Termination Amount: [Applicable/Not applicable]]
- [Highest Value:[Applicable/Not applicable]]
- [Market Value: [Applicable/Not applicable]]
- [Monetisation Option: [Applicable/Not applicable]]
- [If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable: Protected Amount: [specify] per cent. of the Notional Amount]]
- [If the Calculation Agent determines a Futures Adjustment Event constitutes a force majeure, Futures Condition 3.1(c)(vi) applies]
- 30. OET Certificates:** [Applicable/Not applicable]
- (a) Final Price: [As per OET Certificate Conditions]
- (b) Valuation Date: [As per OET Certificate Conditions]/[specify]

- (c) Exercise Price: [specify]
- (d) Capitalised Exercise Price: [Capitalised Exercise Price applicable, in accordance with the OET Certificate Conditions]/[Unrounded Capitalised Exercise Price applicable, in accordance with the OET Certificate Conditions] *(As set out in sub-paragraph [1] [2] of the definition of "Capitalised Exercise Price " provided in Condition 1 of Annex 9 - Additional Terms and Conditions for OET Certificates)*
- OET Website(s):
- [www.produitsdebourse.bnpparibas.fr]/[www.bnpparibasmarkets.be]/[www.bnpparibasmarkets.nl ] / [www.educatedtrading.bnpparibas.se] /[specify]
- Local Business Day Centre(s): [specify]
- (e) Capitalised Exercise Price Rounding Rule: [upwards/downwards] [[●] digits] [specify]
- (f) Dividend Percentage: [specify][subject to adjustment by the Calculation Agent in accordance with the OET Certificate Conditions]/[Not applicable]
- (N.B. Not applicable in respect of Commodity OET Certificates, Currency OET Certificates, Debt OET Certificates or Futures OET Certificates)*
- (g) Financing Rate:
- (i) Interbank Rate 1 Screen Page: [specify]
- (ii) Interbank Rate 1 Specified Time: [specify][As per OET Certificate Conditions]
- (iii) Interbank Rate 2 Screen Page: [specify]
- (iv) Interbank Rate 2 Specified Time: [specify][As per OET Certificate Conditions]
- (v) Financing Rate Percentage: [+/-][specify]
- (vi) Financing Rate Range: [specify]
- (h) Automatic Early Redemption: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Automatic Early [Automatic Early Redemption Payout 2210/1]

Redemption Payout:

*[Insert related provisions from Conditions]*

[Automatic Early Redemption Payout 2210/2]

*[Insert related provisions from Conditions]*

- (ii) Automatic Early Redemption Date: [●] Business Days following the Valuation Date.
- (iii) Observation Price: [Official level]/[Opening price]/[Official close]/[Closing price]/[Purchase price]/[Sale price]/[Traded price]/[Bid price]/[Asked price]/[Last price]/[Official settlement price]/[Daily settlement price]/ [high]/[mid]/ [low]/ [bid high]/[bid low]/[ask high]/[ask low]
- (iv) Observation Price Source: *[specify source]*
- (v) Observation Time(s): [At any time during the opening hours of the Exchange]/*[specify]*
- (vi) Security Threshold: [As per OET Certificate Conditions]  
  
The Security Threshold in respect of a Relevant Business Day will be published as soon as practicable after its determination on the OET Website(s), as set out in § 30(d)
- (vii) Security Threshold Rounding Rule: [upwards/downwards] [●] digits *[specify]*
- (viii) Security Percentage: *[specify]*
- (ix) Minimum Security Percentage: *[specify]*/[Not applicable]
- (x) Maximum Security Percentage: *[specify]*/[Not applicable]
- (xi) Reset Date: [Option [1/2] is applicable]/[Not applicable]

31. Illegality (Condition 7.1) and Force Majeure (Condition 7.2):
- Illegality: [[Highest Value]/[Market Value]/[Monetisation Option] applicable]/[redemption][cancellation] in accordance with Condition 7.1(d)]
- [If Highest Value or Monetisation Option are applicable:  
Protected Amount: [Specify]]
- Force Majeure: [redemption][cancellation] in accordance with Condition [7.2(a)]/[7.2(b)]
32. Additional Disruption Events and Optional Additional Disruption Events:
- (a) Additional Disruption Events: [Applicable/Not applicable]/[[Change in Law/Hedging Disruption] does not apply to the Securities]
- [Change in Law – Hedge Maintenance Cost: Not applicable]
- (b) [The following Optional Additional Disruption Events apply to the Securities:
- (specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Securities, Share Securities, ETI Securities and Commodity Securities. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Securities and for Currency Securities and if so, the relevant definitions will require amendment.)*
- [Not applicable]
- [Administrator/Benchmark Event]
- [Increased Cost of Hedging]
- [Increased Cost of Stock Borrow]
- [Insolvency Filing]
- (N.B. Only applicable in the case of Share Securities)*
- [Cancellation Event]
- (N.B. Only applicable in the case of Debt Securities)*
- [Loss of Stock Borrow]
- [[Stop-Loss Event]
- [Stop-Loss Event Percentage: [5] per cent.]]
- [Currency Event]
- [Extraordinary External Event]

[Jurisdiction Event]

[Hedging Arrangements: Not applicable]

[Significant Alteration Event]

[Failure to Deliver due to Illiquidity]

*(N.B. Only applicable in the case of Physical Delivery Securities– Failure to Deliver due to Illiquidity is applicable to certain Share Securities. Careful consideration should be given to whether Failure to Deliver due to Illiquidity would apply to other Physical Delivery Securities)*

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

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

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

*(N.B. Only applicable if Increased Cost of Stock Borrow is applicable)]*

- (d) [Redemption:

*(only applicable in case of Certificates)*

[Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event: [Applicable/Not applicable]

*[If applicable:*

Principal Protected Termination Amount:  
[Applicable/Not applicable]

[Highest Value:[Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[Monetisation Option: [Applicable/Not applicable]]

*[If Principal Protected Termination Amount, Highest Value or Monetisation Option are applicable: Protected Amount: [specify] per cent. of the Notional Amount]]*

- (e) [Cancellation:

*(only applicable in case of Warrants)*

[Cancellation in accordance with Condition 15.2(b)(iii)]

[Highest Value: [Applicable/Not applicable]]

[Market Value: [Applicable/Not applicable]]

[If Highest Value is applicable]: Protected Amount:  
[specify]]

**33. Knock-in Event:** [Applicable/Not applicable]

*[If applicable:*

*[specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"]]*

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(a) Level: [Official level]/[Official close]/[last price]/[bid price]/[asked price]/[Standard Level]/[Traded price]/[Not applicable]

(b) Knock-in Level/Knock-in Range Level: [specify]

(c) Knock-in Period Beginning Date: [specify]

(d) Knock-in Period Beginning Date Day Convention: [Applicable/Not applicable]

(e) Knock-in Determination Period: [specify]/[See definition in Condition 16]

(f) Knock-in Determination Day(s): [specify]/[Each [Scheduled Trading Day/ Scheduled Custom Index Business Day/ Commodity Business Day] in the Knock-in Determination Period]

(g) Knock-in Period Ending Date: [specify]

(h) Knock-in Period Ending Date Day Convention: [Applicable/Not applicable]

(i) Knock-in Valuation Time: [specify/See definition in Condition 16]/[Valuation Time]/[Any time on a Knock-in Determination Day]/[Not applicable]

(j) Knock-in Observation Price Source: [specify]

(k) Disruption Consequences: [Applicable/Not applicable]

**34. Knock-out Event:** [Applicable/Not applicable]

*[If applicable:*



[specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"/[Knock-out Corridor Range]]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (a) Level: [Knock-out Corridor Value 1:] [Official level]/[Official close]/[last price]/[bid price]/[asked price]/[Standard Level]/[Traded price]/[Not applicable]  
  
[Knock-out Corridor Value 2: [Official level]/[Official close]/[last price]/[traded price]/[bid price]/[asked price]/[Standard Level]/[Not applicable]]
- (b) Knock-out Level /Knock-out Range Level/Knock-out Corridor Range: [specify]  
*(If Knock-out Corridor Range is applicable:*  
Knock-out Low Barrier: [specify]  
Knock-out High Barrier: [specify])
- (c) Knock-out Period Beginning Date: [specify]
- (d) Knock-out Period Beginning Date Day Convention: [Applicable/Not applicable]
- (e) Knock-out Determination Period: [specify]/[See definition in Condition 16]
- (f) Knock-out Determination Day(s): [specify]/[Each [Scheduled Trading Day/ Scheduled Custom Index Business Day/ Commodity Business Day/ Business Day] in the Knock-out Determination Period]
- (g) Knock-out Period Ending Date: [specify]
- (h) Knock-out Period Ending Date Day Convention: [Not applicable/Applicable]
- (i) Knock-out Valuation Time: [specify]/[See definition in Condition 16] [Any time on a Knock-out Determination Day]/[Valuation Time]/[Not applicable]
- (j) Knock-out Observation Price Source: [specify]
- (k) Disruption Consequences: [Applicable/Not applicable]

## PROVISIONS RELATING TO WARRANTS

35. Provisions relating to Warrants: [Applicable][Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (a) Units: Warrants must be exercised in Units. Each Unit consists of the number of Warrants set out in "Specific Provisions for each Series" above. *(N.B. This is in addition to any requirements relating to "Minimum Exercise Number" or "Maximum Exercise Number" as set out below).*
- (b) Minimum Exercise Number: The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Holder is [●] [and Warrants may only be exercised (including automatic exercise) in integral multiples of [●] Warrants in excess thereof].
- (c) Maximum Exercise Number: The maximum number of Warrants that must be exercised on any day by any Holder or group of Holders (whether or not acting in concert) is [●]. *(N.B. not applicable for European Style Warrants [and therefore generally not available for Swedish Dematerialised Warrants])*
- (d) Exercise Price(s): The exercise price(s) per [Warrant/Unit] (which may be subject to adjustment in accordance with Annex 3 in the case of Share Securities and Annex 2 in the case of Index Securities and Annex 6 in the case of Commodity Securities) is set out in "Specific Provisions for each Series" above. *(N.B. This should take into account any relevant Weighting and, in the case of an Index Security, must be expressed as a monetary value).*
- (e) Exercise Date: The exercise date of the Warrants is set out in "Specific Provisions for each Series" above, provided that, if such date is not an Exercise Business Day, the Exercise Date shall be the immediately succeeding Exercise Business Day. *(N.B. Only applicable in relation to European Style Warrants).*
- (f) Exercise Period: The exercise period in respect of the Warrants is set out in "Specific Provisions for each Series" above, [inclusive of the dates specified] [, or if either day specified is not an Exercise Business Day, the immediately succeeding Exercise Business Day]. *(N.B. Only applicable in relation to certain American Style Warrants).*
- (g) Valuation Date: [The Valuation Date shall be the Actual Exercise Date of the relevant Warrant, subject to adjustments in accordance with Condition 18]/[The Valuation Date shall be the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant, subject to adjustments in accordance with Condition 18]/[specify]. *(N.B. specify if different from the definition in Condition 18.)*

- (h) Strike Date: *[specify] (N.B. Only relevant for certain Index, Share, and Currency Securities)*
- (i) Averaging: Averaging [applies/does not apply] to the Warrants. [The Averaging Dates are *[specify]*.]  
  
[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as defined in Condition 18) will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*
- (j) Observation Dates: *[specify]/[Not applicable]*  
  
[In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)* [Observation Day Disruption Consequences are not applicable.]
- (k) Observation Period: *[specify]/[Not applicable]*
- (l) Settlement Date: *[specify] / [As per Conditions]*
- (m) Settlement Business Day *["Settlement Business Day" for the purposes of Condition 5 means [specify].*  
  
*(N.B. Only applicable in the case of Physical Delivery Warrants)*
- (n) Automatic Early Expiration: [Applicable / Not applicable]  
  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*  
  
[If applicable: ["greater than" / "greater than or equal to" / "less than" / "less than or equal to"]  
  
[AER Knock-out: [Knock-out Event]/[Knock-in Event]  
  
*[Insert formula, relevant value(s) and other related provisions from Conditions.]*
- (i) Automatic Early Expiration Level: [●]
- (ii) Automatic Early Expiration Valuation Time: *[specify]*
- (iii) Automatic Early Redemption Payout: [Automatic Early Redemption Payout 2200/1]  
  
*[Insert related provisions from Conditions]*  
  
[Automatic Early Redemption Payout 2200/2]

[Insert related provisions from Conditions]

[Automatic Early Redemption Payout 2210/1]

[Insert related provisions from Conditions]

[Automatic Early Redemption Payout 2210/2]

[Insert related provisions from Conditions]

[SPS Automatic Early Redemption Payout]

[Insert related provisions from Conditions]

- (iv) Automatic Early [specify]  
Expiration Valuation  
Time:
- (v) Automatic Early [specify]/[AER Knock-out Date]  
Expiration Valuation  
Date(s)/Period(s):
- (vi) Automatic Early [specify]/[Not applicable]  
Expiration Settlement  
Date:
- (vii) Observation Price [specify]/[Not applicable]  
Source:
- (viii) Underlying Reference [Official level]/[Official close]/[last price]/[bid price]/[asked  
Level: price]/[Standard Underlying Reference Level] /[Traded  
price]/[Not applicable]
- (o) Identification information of [Applicable/Not applicable]  
Holders as provided by  
Condition 19:

## PROVISIONS RELATING TO CERTIFICATES

36. Provisions relating to Certificates: [Applicable][Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (a) Notional Amount of each [specify]<sup>29</sup>.  
Certificate:

- (b) [Interest] [Applicable/Not applicable]

*(Applicable only for SPS Payout [OR] and Fixed Rate Provisions)*

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

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<sup>29</sup> One notional amount per series

- (i) Interest Period End Date(s) [specify]
- (ii) Business Day Convention for Interest Period End Date(s): [Following/Modified Following/Preceding/None/Not applicable]
- (iii) Interest Payment Date(s): [specify]
- (iv) Business Day Convention for Interest Payment Date(s): [Following/Modified Following/Preceding/None/Not applicable]  
*(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) is (are) expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)*
- (v) Day Count Fraction: [specify]/[unadjusted]
- (vi) Determination Dates: [specify] in each year [insert regular payment dates, ignoring issue date or redemption date in the case of a long or short first or last coupon.] (N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
- (vii) Accrual to Redemption: [Applicable/Not applicable]
- (viii) Coupon Rate: [Applicable/Not applicable]  
*(include one or more of the following if applicable):* [Coupon Rate Payout 3000/1 – Digital Coupon  
 [insert formula, relevant value(s) and other related provisions from Payout Conditions]]  
 [Coupon Rate Payout 3000/2 – Snowball Digital Coupon  
 [insert formula, relevant value(s) and other related provisions from Payout Conditions]]
- (c) [Fixed Rate Provisions] [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*  
*(specify if more than one fixed rate is to be determined)*
- (i) Fixed Rate[(s)] of Interest [(including/excluding] on overdue amounts after Redemption Date or date set for early redemption): [specify] per cent. [per annum].
- (ii) Fixed Coupon [[specify] per Certificate [Not applicable]]

- Amount[(s)]:
- (d) [Instalment Certificates:] The Certificates [are/are not] Instalment Certificates.
- (i) Instalment Amount(s) [specify]
- (ii) Instalment Date(s): [specify]
- (e) [Issuer Call Option:] [Applicable]/[Not applicable]/[Applicable. The Issuer may redeem the OET Certificates in accordance with the OET Certificate Conditions. See item 30 above<sup>30</sup>.]
- (If not applicable or OET Certificate Conditions apply, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [specify]
- (ii) Optional Redemption Valuation Date(s): [specify]
- (iii) Optional Redemption Amount(s): [NA x [●] per cent.] [Call Payout 2300]
- (iv) Minimum Notice Period: [specify]
- (v) Maximum Notice Period: [specify]
- (f) [Holder Put Option:] [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [specify]
- (ii) Optional Redemption Valuation Date(s): [specify]
- (iii) Optional Redemption Amount(s): [NA x [●] per cent.]
- [Put Payout 2210]
- [Put Payout 2300]
- [Insert formula, relevant value(s) and related provisions for Payout Conditions]*
- (iv) Minimum Notice Period: [specify]
- (v) Maximum Notice Period: [specify]
- (g) [Automatic Early Redemption:] [Applicable/Not applicable]

<sup>30</sup>

To be inserted in relation to OET Certificates

- (i) Automatic Early Redemption Event: "greater than"/"greater than or equal to"/"less than"/"less than or equal to"
- [AER Knock-out: [Knock-out Event]/
- [Knock-in Event]
- [As per Condition 29.6(a)]
- [Insert formula, relevant value(s) and other related provisions from Conditions.]*
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (ii) Automatic Early Redemption Payout: [Automatic Early Redemption Payout 2200/1]
- [Insert related provisions from Conditions]*
- [Automatic Early Redemption Payout 2200/2]
- [Insert related provisions from Conditions]*
- [Automatic Early Redemption Payout 2210/1]
- [Insert related provisions from Conditions]*
- [Automatic Early Redemption Payout 2210/2]
- [Insert related provisions from Conditions]*
- [Automatic Early Redemption Payout 2230]
- [Insert related provisions from Conditions]*
- [SPS Automatic Early Redemption Payout]
- [Insert related provisions from Conditions]*
- (iii) Automatic Early Redemption Date(s): *[specify]*
- (iv) Observation Price *[specify]/[Not applicable]*  
Source:
- (v) Underlying Reference Level: [Official level]/[Official close]/[last price]/[bid price]/[asked price]/[Standard Price]/[Not applicable]
- (vi) Automatic Early Redemption Level: *[specify]*
- (vii) [AER Rate:] [●]
- [Insert relevant provisions from Conditions]*
- (viii) Automatic Early *[specify]/[AER Knock-out Date]*

	Redemption Date(s)/Period(s):	Valuation
(h)	[Strike Date:]	[specify]/[Not applicable]/[see item [●] above]
(i)	[Strike Price:]	[specify] / [see item [●] above] / [Not applicable]
(j)	[Redemption Valuation Date:]	[specify]/[As specified in Condition [●] in relation to Open End Certificates] /[Not applicable]
(k)	[Averaging:]	<p>Averaging [applies/does not apply] to the Securities. [The Averaging Dates are [specify].]</p> <p>[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as defined in Condition 25) will apply.] (<i>N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities</i>)</p> <p>[In the event that an Averaging Date is a Disrupted Day, the provisions of Annex 2 will apply] (<i>N.B. Only applicable to Index Securities relating to a Custom Index</i>)</p>
(l)	[Observation Dates:]	<p>[specify]/[Not applicable]</p> <p>[In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] [Observation Day Disruption Consequences are not applicable.] (<i>N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities</i>)</p> <p>[In the event that an Observation Date is a Disrupted Day, the provisions of Annex 2 will apply] (<i>N.B. Only applicable to Index Securities relating to a Custom Index</i>)</p>
(m)	[Observation Period:]	[specify]/[Not applicable]
(n)	[Settlement Business Day:]	" <b>Settlement Business Day</b> " for the purposes of Condition 5.1 means [specify]. ( <i>N.B. Only applicable in the case of Physical Delivery Securities</i> )
(o)	[Cut-off Date:]	[specify]/[Not applicable] ( <i>N.B. Only applicable in the case of Physical Delivery Securities and if provisions in Conditions not applicable</i> )
(p)	Identification information of Holders as provided by Condition 27:	[Applicable / Not applicable]

## DISTRIBUTION



37. Non-exempt Offer: [Applicable] [Not applicable] *(if not applicable, delete the remaining placeholders of this paragraph 36 and paragraph 7 of Part B).*
- (i) Non-exempt Offer Jurisdictions: *[specify relevant Member State(s) where the Issuer intends to make Non-exempt Offers (select from the list of Non-exempt Offer Jurisdictions in the Base Prospectus) – which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]*
- (ii) Offer Period: *[specify date and, if applicable, time] until [and including] [specify date (and, if applicable, time) or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter"] [subject to any early closing]*
- (iii) Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it: *[insert names and addresses of financial intermediaries receiving consent (specific consent)]*
- (iv) General Consent: [Not applicable]/[Applicable]
- (v) Other Authorised Offeror Terms: [Not applicable] *[Add here any other Authorised Offeror Terms]*
- (Authorised Offeror Terms should only be included here where General Consent is applicable)*
- (N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*

38. Additional U.S. Federal income tax considerations:

[The Securities are [not] Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986.] [The Securities may be Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986, as stated in "Specific Provisions for each Series" above. If the Securities are Specified Securities, then the following provisions will apply]. [Additional information regarding the application of Section 871(m) to the Securities will be available at [give name(s) and address(es) of Issuer contact]. [The Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30 per cent.]]

*(If the Securities are Specified Securities, include the "Additional information" sentence and provide the appropriate contact information at the Issuer. N.B. Include the option above, completed as appropriate, where (a) the Securities do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities or (b) the Section 871(m) determination has been made by the time the Final Terms are finalised (in which case, the determination will have been made either (i) on the pricing date, if this falls 14 days or fewer before the issue date or (ii) on the issue date, if the pricing date falls more than 14 days before the issue date. Otherwise, include the following option, completed as appropriate:)*

[As at the date of these Final Terms, the Issuer has not determined whether the Securities are Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Securities for these purposes. **This is indicative information only subject to change and if the Issuer's final determination is different then it will give notice of such determination.** Please contact [give name(s) and address(es) of Issuer contact] for further information regarding the application of Section 871(m) to the Securities.]

*(The Securities will not be Specified Securities if they (i) are issued prior to 1 January, 2021 and provide a return that differs significantly from the return on an investment in the underlying (i.e., they are not "delta-one" securities for U.S. tax purposes) or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Securities reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or*

*indirect exposure to U.S. equities and (i) are issued prior to 1 January 2021 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued on or after 1 January 2021, further analysis would be required.)*

[Payments on the Specified Securities are calculated by reference to [Net Dividends/Net Total Returns]. By purchasing a Specified Security, the parties agree that in calculating the relevant payment amount the Issuer has withheld, the purchaser is deemed to have received 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant [U.S. securities/U.S. dividend paying index components]. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

[For this purpose, "**Net Dividends**" means the dividends paid by an issuer of a security net of 30 per cent. US federal withholding tax.]

[For this purpose "**Net Total Returns**" means the net total return of the US source dividend paying components, as calculated by the Index Sponsor, of an index that reinvests US source dividends paid by an issuer of a security that is a component of the index net of 30 per cent. US withholding tax on such US source dividends.]]

**39. Prohibition of Sales to EEA Retail Investors:**

Selling Restriction: [Applicable]/[Not applicable]

Legend: [Applicable]/[Not applicable]

**Responsibility**

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Signed on behalf of [BNP Paribas Issuance B.V.]/[BNP Paribas]

As Issuer:

By: \_\_\_\_\_

Duly authorised

## PART B – OTHER INFORMATION

### 1. Listing and Admission to trading – [De-listing]

[The Securities are unlisted.]/[Application [has been/will be] made to list the Securities on [Euronext Paris]/[Euronext Brussels]/[Euronext Amsterdam] and to admit the Securities for trading on [Euronext Paris]/[Euronext Brussels]/[Euronext Amsterdam] [with effect from [●]]./[Application has been made to list the Securities on the stock exchange of [Madrid/Barcelona/Valencia/Bilbao] and to admit the Securities to trading in the Warrants and Certificates Module of the Spanish stock market trading system (*Sistema de Interconexión Bursátil Español* ("**SIBE**")) [with effect from [●]]./[Application will be made to list the Securities on the Nordic Derivatives Exchange Stockholm (the "**NDX**") and to admit the Securities for trading on the NDX [with effect from [●]]./[Application will be made to list the Securities and to admit the Securities for trading on the Official List of NASDAQ OMX Stockholm [with effect from [●]]./[Application [has been/will be] made to list the Securities and to admit the Securities for trading [with effect from [●]] on the Official List of NASDAQ OMX Helsinki Ltd. and/or on the Nordic Derivatives Exchange of the Nordic Growth Market NGM AB]/[specify other exchange] [with effect from [●]]./[Application has been made to list the Securities on the Nordic MTF and to admit the Securities for trading on the Nordic MTF [with effect from [●]].] [Application has been made to list the Securities on the Boerse Stuttgart cats GmbH (the "**Cats**") and to admit the Securities to trading on the cats [with effect from [●]]./[Application has been made to list the Securities on [specify relevant MTF] and to admit the Securities for trading on [specify relevant MTF] [with effect from [●]].]

[The de-listing of the Securities on the [exchange/regulated market] specified above shall occur on [specify], subject to any change to such [date/period] by such [exchange/regulated market] or any competent authorities, for which the Issuer [and the Guarantor] shall under no circumstances be liable].

[Estimate of total expenses related to admission to trading: [●]]<sup>31</sup>

*(Where documenting a fungible issue need to indicate if original Securities are already admitted to trading)*

### 2. [Ratings]

Ratings: [The Securities to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[The Securities have not been rated.]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider:*

[●]

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

*[[Insert the legal name of the relevant CRA entity] is established in the*

<sup>31</sup> Delete if minimum denomination is less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or if the Securities are Derivative Securities.

European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such *[insert the legal name of the relevant CRA entity]* is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with such Regulation.]

**3. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]**

*[Need to include a description of any interest, including conflicting interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement]:*

"Save [for the fees [of *[insert relevant fee disclosure]*] payable to *[insert name of Authorised Offeror]* and] as discussed[ in the "Potential Conflicts of Interest" paragraph in the "Risks" section in the Base Prospectus], so far as the Issuer is aware, no person involved in the [issue/offer] of the Securities has an interest material to the [issue/offer]."

**4. [Reasons for the Offer, Estimated Net Proceeds and Total Expenses]<sup>32</sup>**

(a) Reasons for the offer: [●]

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

(b) Estimated net proceeds: [Up to] [●]

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

(c) Estimated total expenses: [●] *[Include breakdown of expenses]*

**5. Performance of Underlying/Formula/Other Variable and Other Information concerning the Underlying Reference**

*[Need to include details of where past and further performance and volatility of the index/formula/other variables can be obtained.]*

*[Where the underlying is an index need to include the name of the index and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained]*

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information].

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<sup>32</sup> Disclosure in respect of Estimated Net Proceeds and Total Expenses is only required if reasons for the offer are disclosed and the Securities are derivative securities to which Annex XII of the Prospectus Regulation applies.

## 6. Operational Information

Relevant Clearing System(s):	<p>[Euroclear France/Euroclear Netherlands/ Euroclear Sweden/Iberclear/ Clearstream Banking Frankfurt/ <i>other</i>]</p> <p><i>[if Iberclear add: [Insert relevant entity] will act as link entity [Entidad de Enlace]/Paying Agent (Entidad de Pago)/Depositary Entity (Entidad Depositaria)/Liquidity Entity/Entidad Especialista)]</i></p> <p><i>[N.B. Ensure all relevant entities have been appointed and formalities complied with in accordance with the rules and regulations of the relevant clearing system]</i></p>
If other than Euroclear Bank S.A./N.V., Clearstream Banking Luxembourg, Euroclear France, Euroclear Netherlands, Iberclear, Clearstream Banking Frankfurt, include the relevant identification number(s) and in the case of Swedish Dematerialised Securities, the Swedish Security Agent:	<p>[Identification number(s):]</p> <p>[Swedish Security Agent;</p> <p>[Svenska Handelsbanken AB (publ)/<i>other</i>]</p> <p>[Address: [●]]</p> <p>[Not applicable]</p> <p><i>[N.B. Ensure all relevant entities have been appointed and formalities complied with in accordance with the rules and regulations of the relevant clearing system]</i></p>

## 7. [Terms and Conditions of the Public Offer]

Offer Price:	<p>[Issue Price/ <i>specify</i> / The notice indicating the Offer Price will be published before the end of the Offer Period (<i>in a case where the Offer Price is unknown at the beginning of the Offer Period</i>)]</p>
[Conditions to which the offer is subject:]	<p>[Not applicable/<i>give details</i>]</p> <p>[The Issuer will in good faith and in a commercially reasonable manner determine the final amount of Securities issued up to a limit of [●]. The final amount that are issued on [●] will be listed on the [Euronext Amsterdam/Euronext Paris/Euronext Brussels]/[Stock exchange of [Madrid/Barcelona/Valencia/Bilbao]/[NASDAQ OMX Helsinki Ltd]/[the Nordic Growth Market]/[NASDAQ OMX Stockholm]/[the Nordic Derivatives Exchange Stockholm]/[<i>specify other exchange</i>]. [Application has been made to</p>

list the Securities on the Nordic MTF and to admit the Securities for trading on the Nordic MTF [with effect from [●]]. [Application has been made to list the Securities on the Boerse Stuttgart cats GmbH (the "Cats") and to admit the Securities to trading on the cats [with effect from [●]]. [Application has been made to list the Securities on the [●] and to admit the Securities for trading on the [●] [with effect from [●]]. Securities will be allotted subject to availability in the order of receipt of investors' applications. The final amount of the Securities issued will be determined by the Issuer in light of prevailing market conditions, and in good faith in a commercially reasonable manner depending on the number of Securities which have been agreed to be purchased as of [●].]

[Description of the application process:]	[Not applicable/give details]
[Details of the minimum and/or maximum amount of application:]	[Not applicable/give details]
[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:]	[Not applicable/give details]
[Details of the method and time limits for paying up and delivering the Securities:]	[Not applicable/give details]
[Manner in and date on which results of the offer are to be made public:]	[Not applicable/give details]
[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:]	[Not applicable/give details]
[Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:]	[Not applicable/give details]
[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:]	[Not applicable/give details]

## 8. [Placing and Underwriting]<sup>33</sup>

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:]	[None/give details]
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<sup>33</sup> To the extent known to the Issuer, of the placers in the various countries where the offer takes place.

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:<sup>34</sup> [●]

Name and address of any paying agents and depository agents in each country (in addition to the Principal Security Agent): [●]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:<sup>35</sup> [●]

When the underwriting agreement has been or will be reached:] [●]

**9. [Yield (in the case of Certificates)]**

*[Fixed Rate Certificates only]*

*[An indication of yield. Describe the method whereby that yield is calculated in summary form.]*

**10. [EU Benchmarks Regulation]**

EU Benchmarks Regulation: Article 29(2) statement on benchmarks: [Applicable: Amounts payable under the Securities are calculated by reference to *[[insert name[s] of Benchmark(s)] / [the [relevant] Benchmark]*, which *[is/are]* provided by *[[insert name[s] of the Administrator[s]]/[the [relevant] Administrator]*], as specified in the table below] (*if more than one, specify in relation to each relevant Benchmark*)).

[As at the date of these Final Terms, *[[insert name[s] of the Administrator[s]] / [the [relevant] Administrator[s]]* *[[is/are]* not included/*[[is/are]* included], as the case may be,] in the register of Administrators and Benchmarks established and maintained by the European Securities and Markets Authority [**"ESMA"**] pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) [(the **"BMR"**)], as specified in the table below].

[As far as the Issuer is aware, *[[insert name of Benchmark[s]] / [the [relevant] Benchmark]* *[does/do]* not fall within the scope of the BMR by virtue of Article 2 of the BMR.]/[the transitional provisions in Article 51 of the BMR apply, such that the [relevant] Administrator is not currently required to obtain authorisation/registration], as

<sup>34</sup> Where not all of the issue is underwritten, a statement of the portion not covered.

<sup>35</sup> See "Risks relating to Securities – Potential Conflicts of Interest" in the Base Prospectus for further information.



specified in the table below].] *[repeat as necessary or insert necessary information in a table below]]*

<b>[Benchm ark</b>	<b>Administ rator</b>	<b>Register</b>	<b>Other Informati on</b>
<b>[●]</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

[Not applicable]]

**11. [MiFID II Product Governance/Target Market Assessment**

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

**[ISSUE SPECIFIC SUMMARY]**

*[Issue specific summary to be inserted where applicable]*

## TERMS AND CONDITIONS OF THE SECURITIES

*The following is the text of the Terms and Conditions of the Securities which will include the additional terms and conditions contained in Annex 1 in relation to the payouts for Securities, the additional terms and conditions contained in Annex 2 in the case of Index Securities, the additional terms and conditions contained in Annex 3 in the case of Share Securities, the additional terms and conditions contained in Annex 4 in the case of ETI Securities, the additional terms and conditions contained in Annex 5 in the case of Debt Securities, the additional terms and conditions contained in Annex 6 in the case of Commodity Securities, the additional terms and conditions contained in Annex 7 in the case of Currency Securities, the additional terms and conditions contained in Annex 8 in the case of Futures Securities, the additional terms and conditions contained in Annex 9 in the case of OET Certificates or any other Annex (each, an "Annex" and, together the "Annexes") which may be added from time to time, in the case of any other security linked to any other underlying reference (the "Terms and Conditions"). In the case of Swedish Dematerialised Securities the applicable Final Terms in respect of such Securities will be available at the specified office of the relevant Issuer and at the office of the Swedish Security Agent specified in the applicable Final Terms).*

For the purposes of Securities which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive ("**Exempt Securities**"), references in these Terms and Conditions to "Final Terms" shall be deemed to be references to "Pricing Supplement". The expression "**Prospectus Directive**" means Directive 2003/71/EC, as amended or superseded, and includes any relevant implementing measure in the relevant Member State of the European Economic Area.

The series of Securities described in the applicable Final Terms (in so far as it relates to such series of Securities) (such Securities being hereinafter referred to as the "**Securities**") are issued by whichever of BNP Paribas Issuance B.V. ("**BNPP B.V.**") or BNP Paribas ("**BNPP**") is specified as the Issuer in the applicable Final Terms (the "**Issuer**") and references to the Issuer shall be construed accordingly and guaranteed by BNP Paribas ("**BNPP**" or the "**Guarantor**") where the Issuer is BNPP B.V.. Securities will be either warrants ("**Warrants**") or certificates ("**Certificates**"), as specified in the applicable Final Terms, and references in these Terms and Conditions to "Security", "Securities", "Warrant", "Warrants", "Certificate" and "Certificates" will be construed accordingly.

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

The Securities are issued pursuant to an Agency Agreement dated 3 July 2019 (as amended and/or supplemented from time to time, the "**Agency Agreement**") between BNPP B.V. as Issuer, BNPP as Issuer or Guarantor (where the Securities are issued by BNPP B.V.), BNP Paribas Securities Services in Amsterdam as agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Amsterdam Security Agent**"), BNP Paribas Securities Services as agent (the "**French Security Agent**"), BNP Paribas Arbitrage S.N.C. as agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Principal Security Agent**"), BNP Paribas Securities Services, Branch in Spain as Spanish agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Madrid Security Agent**") (each a "**Security Agent**" and collectively, the "**Security Agents**"), as supplemented in the case of Swedish Dematerialised Securities by an issuing and paying agency agreement dated 16 March 2018 as amended and/or supplemented from time to time (the "**Swedish Agency Agreement**") between BNPP B.V., Svenska Handelsbanken AB

(publ) as Euroclear Sweden security agent (the "**Swedish Security Agent**") and BNP Paribas Securities Services, Branch in Frankfurt as German agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**German Security Agent**"). The expression "Security Agent" shall include, in respect of Swedish Dematerialised Securities, the Swedish Security Agent and shall include any additional or successor security agent(s) in respect of the Securities.

BNP Paribas or BNP Paribas Arbitrage S.N.C. (as specified in the applicable Final Terms) shall undertake the duties of calculation agent (the "**Calculation Agent**") in respect of the Securities as set out below and in the applicable Final Terms unless another entity is so specified as calculation agent in the applicable Final Terms. Whenever the Calculation Agent is required to act or to exercise judgment in any way, it will do so in good faith and commercially reasonable manner. The expression "Calculation Agent" shall, in relation to the relevant Securities, include such other specified calculation agent.

The Swedish Agency Agreement will be governed by Swedish Law.

The applicable Final Terms for the Securities supplements these Terms and Conditions for the purposes of the Securities.

References herein to the "applicable Final Terms" are to the Final Terms or two or more sets of Final Terms (in the case of any further Securities issued pursuant to Condition 12 and forming a single series with the Securities) (which, for the avoidance of doubt, may be issued in respect of more than one series of Securities) insofar as they relate to the Securities.

Subject as provided in Condition 4 and in the Guarantee (as defined in Condition 1), the obligations of BNPP B.V. with respect to physical delivery (if applicable) and/or the payment of amounts payable by BNPP B.V. are guaranteed by BNPP pursuant to the Guarantee. The original of the Guarantee is held by BNP Paribas Securities Services on behalf of the Holders at its specified office.

Copies of the Agency Agreement (as amended or supplemented from time to time), the Guarantee and the applicable Final Terms may be obtained from the specified office of the relevant Security Agent, save that if the Securities are unlisted, the applicable Final Terms will only be obtainable by a Holder and such Holder must produce evidence satisfactory to the relevant Security Agent as to identity. Copies of the Swedish Agency Agreement will be available for inspection at the office of the Swedish Security Agent specified in the applicable Final Terms.

Words and expressions defined in the Agency Agreement (as amended or supplemented from time to time) or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

The Holders are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the Agency Agreement, as amended or supplemented from time to time, (insofar as they relate to the Securities) and the applicable Final Terms, which are binding on them.

## **1. DEFINITIONS**

For the purposes of these Terms and Conditions, the following general definitions will apply:

"**Account Holder**" is as defined in Condition 2.2;

"**Accrual Period**" is as defined in Condition 28(c);

"**Actual/Actual (ICMA)**" is as defined in Condition 28(c);

"**Actual Exercise Date**" is as defined in Condition 18 and Condition 21.1(a);

"**Additional Disruption Event**" is as defined in Condition 15.1;

"**Administrator/Benchmark Event**" is as defined in Condition 15.1;

"**AER Knock-out**" is as defined in Condition 22.8(b) and Condition 29.6(b);

"**Affected Item**" is as defined in this Condition 1 under the definition of Strike Date and in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

"**Affected Relevant Assets**" is as defined in Condition 15.1;

"**Affected Share**" is as defined in Condition 15.2(e);

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity;

"**Agency Agreement**" (as amended or supplemented from time to time) is as defined in paragraph 5 of these Terms and Conditions;

"**Alternate Cash Amount**" is as defined in Condition 5.4;

"**American Style Warrants**" is as defined in Condition 20;

"**Annex**" and "**Annexes**" is as defined in paragraph 1 of these Terms and Conditions;

"**Asset Transfer Notice**" is as defined in Condition 30.2(a);

"**Automatic Early Expiration Date**" is as defined in Condition 22.8(b);

"**Automatic Early Expiration Event**" is as defined in Condition 22.8(b);

"**Automatic Early Expiration Level**" is as defined in Condition 22.8(b);

"**Automatic Early Expiration Payout Amount**" is as defined in Condition 22.8(b);

"**Automatic Early Expiration Settlement Date**" is as defined in Condition 22.8(b);

"**Automatic Early Expiration Valuation Date**" is as defined in Condition 22.8(b);

"**Automatic Early Expiration Valuation Time**" is as defined in Condition 22.8(b);

"**Automatic Early Redemption Amount**" is as defined in Condition 29.6(b);

"**Automatic Early Redemption Date**" is as defined in Condition 29.6(b);

"**Automatic Early Redemption Event**" is as defined in Condition 29.6(a);

"**Automatic Early Redemption Level**" is as defined in Condition 29.6(b);

"**Automatic Early Redemption Valuation Date**" is as defined in Condition 29.6(b);

"**Automatic Early Redemption Valuation Period**" is as defined in Condition 29.6(b);

**"Automatic Early Redemption Valuation Time"** is as defined in Condition 29.6(b);

**"Automatic Exercise"** is as defined in Condition 20;

**"Averaging"** is as defined in Condition 20 (in the case of Warrants) and Condition 27 (in the case of Certificates);

**"Averaging Date"** is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Basket Company"** is as defined in Condition 15.2(e);

**"Basket of Underlying References"** is as defined in Condition 22.8(b) and Condition 29.6(b);

**"Basket Price"** is as defined in Condition 22.8(b) and in Condition 29.6(b);

**"Benchmark"** is as defined in Condition 15.1;

**"Benchmark Modification or Cessation Event"** is as defined in Condition 15.1;

**"BMR"** is as defined in Condition 15.1;

**"BNPP"** is as defined in paragraph 3 of these Terms and Conditions;

**"BNPP B.V."** is as defined in paragraph 3 of these Terms and Conditions;

**"Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) and for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open (a **"TARGET2 Settlement Day"**) and where the Securities are Swedish Dematerialised Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Stockholm;

**"Calculated Additional Disruption Amount"** is as defined in Condition 15.2(c)(ii);

**"Calculated Additional Disruption Amount Determination Date"** is as defined in Condition 15.2(c)(ii);

**"Calculation Agent"** is as defined in paragraph 6 of these Terms and Conditions and Condition 28(b)(ii);

**"Calculation Period"** is as defined in Condition 25;

**"Call Warrants"** is as defined in Condition 20;

**"Cancellation Event"** is as defined in Condition 15.1;

**"Cash Settled Certificates"** is as defined in Condition 27;

**"Cash Settled Securities"** means (a) in the case of an issue of Warrants, Cash Settled Warrants and (b) in the case of an issue of Certificates, Cash Settled Certificates;

**"Cash Settled Warrants"** is as defined in Condition 20;

**"Cash Settlement Amount"** is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Certificates"** is as defined in paragraph 3 of these Terms and Conditions;

**"Change in Law"** is as defined in Condition 15.1;

**"Clearing System"** means Clearstream Banking Luxembourg and/or Euroclear and/or Euroclear France and/or Euroclear Netherlands and/or Euroclear Sweden and/or Iberclear and/or Clearstream Banking Frankfurt and/or any additional or alternative clearing system approved by the Issuer and the relevant Security Agent(s) from time to time and specified in the applicable Final Terms;

**"Clearstream Banking Frankfurt"** means Clearstream Banking AG, Frankfurt and any successor or alternative clearing system;

**"Clearstream Banking Luxembourg"** means Clearstream Banking, société anonyme in Luxembourg and any successor or alternative clearing system;

**"Clearstream Frankfurt Securities"** is as defined in Condition 2.2;

**"Clearstream Frankfurt Warrants"** is as defined in Condition 21.1(a);

**"Commodity OET Certificate"** means a Commodity Security that is an OET Certificate;

**"Commodity Securities"** is as defined in Condition 2.1;

**"Cumulative Coupon"** is as defined in Condition 29.6(b);

**"Currency Event"** is as defined in Condition 15.1;

**"Currency OET Certificate"** means a Currency Security that is an OET Certificate;

**"Currency Securities"** is as defined in Condition 2.1;

**"Current Interest Period"** is as defined in Condition 29.6(b);

**"Cut-off Date"** is as defined in Condition 25 (in the case of Certificates);

**"Day Count Fraction"** is as defined in Condition 28(c);

**"Debt Securities"** is as defined in Condition 2.1;

**"Delivery Date"** is as defined in Condition 30.2(c);

**"Delayed Date"** is as defined in Condition 30.1;

**"Designated Maturity"** is as defined in Condition 28(b)(ii);

**"Determination Date(s)"** is as defined in Condition 28(c);

**"Determination Period"** is as defined in Condition 28(c);

**"Disruption Cash Settlement Price"** is as defined in Condition 5.1;

**"Documents"** is as defined in Condition 13.2(b);

"**due exercise**" is as defined in Condition 21.4;

"**Entitlement**" is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

"**EURIBOR**" is as defined in Condition 28(b)(ii)(C);

"**ETI Securities**" is as defined in Condition 2.1;

"**Euroclear France Securities**" is as defined in Condition 2.2;

"**Euroclear France Warrants**" is as defined in Condition 21.1;

"**Euroclear Netherlands**" means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.;

"**Euroclear Netherlands Securities**" is as defined in Condition 2.2;

"**Euroclear Netherlands Warrants**" is as defined in Condition 21.1(a);

"**Euroclear Sweden**" means Euroclear Sweden AB (a Swedish Central Securities Depository authorised as such under the Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012);

"**Euroclear Sweden Register**" means the register maintained in the Euroclear Sweden System for Swedish Dematerialised Securities issued or to be issued by the Issuer;

"**Euroclear Sweden System**" means the technical system at Euroclear Sweden for the registration of securities and the clearing and settlement of securities transactions;

"**Euronext Paris**" is as defined in Condition 29.2;

"**European Style Warrants**" is as defined in Condition 20;

"**ETI Securities**" is as defined in Condition 2.1;

"**Exempt Securities**" is as defined in paragraph 2 of these Terms and Conditions;

"**exercise**" is as defined in Condition 21.4;

"**Exercise Business Day**" is as defined in Condition 18;

"**Exercise Notice**" is as defined in Condition 22.1;

"**Exercise Price**" is as specified in the applicable Final Terms;

"**Expenses**" is as defined in Condition 11.2;

"**Expiration Date**" is as defined in Condition 18;

"**Extraordinary External Event**" is as defined in Condition 15.1;

"**Failure to Deliver due to Illiquidity**" is as defined in Condition 15.1;

"**Failure to Deliver Settlement Price**" is as defined in Condition 15.2(e);



"**BBF Agreement**" is as defined in Condition 28(b)(iii);

"**BBF Rate**" is as defined in Condition 28(b)(iii);

"**Fixed Rate Certificates**" is as defined in Condition 28;

"**Floating Rate**" is as defined in Condition 28(b)(ii);

"**Floating Rate Certificates**" is as defined in Condition 28;

"**Floating Rate Option**" is as defined in Condition 28(b)(ii);

"**freely tradable**" is as defined in Condition 5.4;

"**French Security Agent**" is as defined in paragraph 5 of these Terms and Conditions;

"**Futures OET Certificate**" means a Futures Security that is an OET Certificate;

"**Futures Securities**" is as defined in Condition 2.1;

"**GDR/ADR**" is as defined in Condition 2.1;

"**General Meeting**" is as defined in Condition 9.4;

"**Global Security**" has the meaning provided in Condition 2.2;

"**Government Authority**" is as defined in Condition 15.1;

"**Guarantee**" means the *garantie* dated 3 July 2019 executed by BNPP in respect of Securities issued by BNPP B.V.;

"**Guaranteed Cash Settlement Amount**" is as defined in Condition 4;

"**Guarantor**" means BNPP;

"**Hedge**" is as defined in Condition 15.1;

"**Hedging Disruption**" is as defined in Condition 15.1;

"**Hedging Shares**" is as defined in Condition 15.1;

"**Holder**" is as defined in Condition 2.2;

"**Holder of Certificates**" is as defined in Condition 2.2;

"**Holder of Securities**" is as defined in Condition 2.2;

"**Hybrid Securities**" is as defined in Condition 2.1;

"**Iberclear**" means "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" whose commercial name is Iberclear;

"**Increased Cost of Hedging**" is as defined in Condition 15.1;

"**Increased Cost of Stock Borrow**" is as defined in Condition 15.1;

"**Index OET Certificate**" means an Index Security that is an OET Certificate;

"**Index Securities**" is as defined in Condition 2.1;

"**Initial Stock Loan Rate**" is as defined in Condition 15.1;

"**Insolvency Filing**" is as defined in Condition 15.1;

"**Interest Amount**" is as defined in Condition 28(b)(v);

"**Interest Determination Date**" is as defined in Condition 28(b)(v);

"**Interest Period End Date**" is as defined in Condition 28(b)(i);

"**Interest Period End Final Date**" is as defined in Condition 28(a) and Condition 28(a)(i);

"**Intervening Period**" is as defined in Condition 30.2(d);

"**ISDA Definitions**" is as defined in Condition 28(b)(ii);

"**Issuer**" is as defined in paragraph 3 of these Terms and Conditions;

"**Jurisdiction Event**" is as defined in Condition 15.1;

"**Knock-in Determination Day**" is as defined in Condition 16.7;

"**Knock-in Determination Period**" is as defined in Condition 16.7;

"**Knock-in Event**" is as defined in Condition 16.7;

"**Knock-in Level**" is as defined in Condition 16.7;

"**Knock-in Observation Price Source**" is as defined in Condition 16.7;

"**Knock-in Period Beginning Date**" is as defined in Condition 16.7;

"**Knock-in Period Ending Date**" is as defined in Condition 16.7;

"**Knock-in Range Level**" is as defined in Condition 16.7;

"**Knock-in Valuation Time**" is as defined in Condition 16.7;

"**Knock-out Corridor Value 1**" is as defined in Condition 16.7;

"**Knock-out Corridor Value 2**" is as defined in Condition 16.7;

"**Knock-out Determination Day**" is as defined in Condition 16.7;

"**Knock-out Determination Period**" is as defined in Condition 16.7;

"**Knock-out Event**" is as defined in Condition 16.7;

"**Knock-out High Barrier**" is as defined in Condition 16.7;

"**Knock-out Level**" is as defined in Condition 16.7;

"**Knock-out Low Barrier**" is as defined in Condition 16.7;

"**Knock-out Observation Price Source**" is as defined in Condition 16.7;

"**Knock-out Period Beginning Date**" is as defined in Condition 16.7;

"**Knock-out Period Ending Date**" is as defined in Condition 16.7;

"**Knock-out Range Level**" is as defined in Condition 16.7;

"**Knock-out Valuation Time**" is as defined in Condition 16.7;

"**Level**" is as defined in Condition 16.7;

"**LIBOR**" is as defined in Condition 28(b)(ii)(C);

"**Linked Interest Certificates**" is as defined in Condition 28;

"**Local Currency**" is as defined in Condition 15.1;

"**Local Time**" means local time in the city of the relevant Clearing System;

"**Loss of Stock Borrow**" is as defined in Condition 15.1;

"**Luxembourg or Brussels time**" is as defined in Condition 21.4;

"**Madrid Security Agent**" is as defined in paragraph 5 of these Terms and Conditions;

"*Masse*" is as defined in Condition 9.4;

"**Maximum Stock Loan Rate**" is as defined in Condition 15.1;

"**Modified Postponement**" is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

"**Non-Approval Event**" is as defined in Condition 15.1;

"**Notice Period**" is as defined in Condition 29.3;

"**Observation Date**" is as defined in Condition 18 (in the case of Warrants) and 25 (in the case of Certificates);

"**Observation Period**" is as defined in Condition 18 (in the case of Warrants) and 25 (in the case of Certificates);

"**Observation Price Source**" is as defined in Condition 22.8(b) and Condition 29.6(b);

"**OET Certificate**" means Securities specified as Open End Turbo Certificates in the applicable Final Terms;

"**Omission**" is as defined in Condition 18 (in the case of Warrants) and in Condition 25 (in the case of Certificates);

"**Open End Certificate**" is as defined in Condition 25;

"**Optional Additional Disruption Event**" is as defined in Condition 15.1;

"**Optional Redemption Amount**" is as defined in Conditions 29.2 and 29.3;

"**Optional Redemption Date**" is as defined in Condition 29.2;

**"Paris Business Day"** is as defined in Condition 28(b)(vii);

**"Physical Delivery Certificates"** is as defined in Condition 27;

**"Physical Delivery Securities"** means (a) in the case of an issue of Warrants, Physical Delivery Warrants and (b) in the case of an issue of Certificates, Physical Delivery Certificates;

**"Physical Delivery Warrants"** is as defined in Condition 20;

**"Postponement"** is as defined in Condition 18 (in the case of Warrants) and in Condition 25 (in the case of Certificates);

**"Principal Security Agent"** is as defined in paragraph 5 of these Terms and Conditions;

**"Proceedings"** is as defined in Condition 14;

**"Put Warrants"** is as defined in Condition 20;

**"Quota"** is as defined in Condition 23.1(b);

**"Redemption Date"** is as defined in Condition 29.1;

**"Reference Banks"** is as defined in Condition 25;

**"Reference Rate Fallback Event"** is as defined in Condition 25.

**"Related Expenses"** is as defined in Condition 11.2;

**"Relevant Adjustment Provisions"** is as defined in Condition 16.7, in Condition 22.8(b) and 29.6(b);

**"Relevant Automatic Early Expiration Valuation Date"** is as defined in Condition 22.8(a);

**"Relevant Jurisdiction"** means the country in which (as the case may be) the Shares or the Shares relating to the depositary receipts are issued (or in which the issuer of such Shares is incorporated) or the Index is based, as specified in the applicable Final Terms;

**"Reset Date"** is as defined in Condition 28(b)(ii);

**"Rolling Futures Contract Securities"** means a Security that is specified as such in the applicable Final Terms;

**"Scheduled Averaging Date"** is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Scheduled Closing Time"** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject, in respect of Index Securities, to subparagraphs 18(b) and 18(c) of the definition of Valuation Time, and subject, in respect of Share Securities, to subparagraph 18(c) of the definition of Valuation Time;

**"Scheduled Payment Date"** is as defined in Condition 30.1;

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

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

**"Securities"** is defined in paragraph 3 of these Terms and Conditions;

**"Security Agent"** and **"Security Agents"** are as defined in paragraph 5 of these Terms and Conditions;

**"Security Expenses"** is as defined in Condition 11.1;

**"Series"** is as defined in paragraph 4 of these Terms and Conditions;

**"Settlement Business Day"** is as defined in Condition 5.1;

**"Settlement Date"** is as defined in Condition 18;

**"Settlement Disruption Event"** is as defined in Condition 5.1;

**"SFIA Act"** is as defined in Condition 19;

**"Share"** is as defined in Condition 15.2(e);

**"Share OET Certificate"** means a Share Security that is an OET Certificate;

**"Share Securities"** is as defined in Condition 2.1;

**"Significant Alteration Event"** is as defined in Condition 15.1;

**"Specified Maximum Days of Disruption"** means (other than with respect to Commodity Securities, Custom Indices and Currency Securities) eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms, with respect to Currency Securities, five Scheduled Trading Days, with respect to Custom Indices, twenty Scheduled Custom Index Business Days and with respect to Commodity Securities, five Commodity Business Days;

**"Stop-Loss Event"** is as defined in Condition 15.1;

**"Strike Date"** means, in the case of Index Securities, Share Securities, ETI Securities, Debt Securities or Futures Securities, the Strike Date specified in the applicable Final Terms, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (i) where the Securities are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the relevant level or price:
- (i) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the

occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (ii) in the case of Share Securities, ETI Securities, Debt Securities or Futures Securities, in accordance with its good faith estimate of the relevant price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (ii) where the Securities are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:
  - (i) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Strike Date; and
  - (ii) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of the Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Strike Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions.

- (iii) where the Securities are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a Basket of Futures, the Strike Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date and the Strike Date for each Index, Share, ETI Interest, Debt Instrument or Future affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item,

notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item:

- (i) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (ii) in the case of a Share, ETI Interest, Debt Instrument or Future, its good faith estimate of the price for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (iv) where the Securities are Index Securities relating to a Basket of Component Security Indices, the Strike Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:
- (i) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Strike Date; and
  - (ii) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Strike Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Strike Date shall be deemed to be the earliest date on which the Calculation Agent can determine the level of the Component Security Index in accordance with the above provisions; or

- (v) in the case of Commodity Securities, the Initial Pricing Date;

"**Strike Day**" means each date specified as such in the applicable Final Terms and, if Averaging Date Consequences are specified as applicable in the applicable Final Terms, the provisions contained in the

definition of "Averaging Date" shall apply mutatis mutandis as if references in such provisions to "Averaging Date" were to "Strike Day";

**"Strike Period"** means the period specified as such in the applicable Final Terms;

**"Substitute Asset"** and **"Substitute Assets"** is as defined in Condition 5.4;

**"Substitute Guarantee"** is as defined in Condition 13.2(b);

**"Substitute Guarantor"** is as defined in Condition 13;

**"Substitute Share"** is as defined in Condition 15.2(e);

**"Substitution Date"** is as defined in Condition 15.2(e);

**"sub-unit"** is as defined in Condition 28(a);

**"Successor Index"** is as defined in Condition 15.2(d);

**"Swedish Agency Agreement"** is as defined in paragraph 5 of these Terms and Conditions;

**"Swedish Dematerialised Certificates"** is as defined in Condition 28;

**"Swedish Dematerialised Securities"** means Swedish Dematerialised Warrants and Swedish Dematerialised Certificates;

**"Swedish Dematerialised Warrants"** is as defined in Condition 18;

**"Swedish Security Agent"** is as defined in paragraph 5 of these Terms and Conditions;

**"Taxes"** is as defined in Condition 11.2;

**"Terms and Conditions"** is as defined in paragraph 1 of these Terms and Conditions;

**"Trade Date"** is as defined in Condition 15.1;

**"Tranche"** is as defined in paragraph 4 of these Terms and Conditions;

**"Underlying Reference"** is as defined in Condition 16.7, 22.8 and 29.6(b);

**"Underlying Reference Level"** is as defined in Condition 22.8 and 29.6(b);

**"Underlying Share"** is as defined in Condition 2.1;

**"Units"** is as defined in Condition 20;

**"Valid Date"** is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Valuation Date"** is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Valuation Time"** is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Warrants"** is as defined in paragraph 3 of these Terms and Conditions.



## 2. TYPE, TITLE AND TRANSFER

### 2.1 Type

The Securities relate to a specified index or basket of indices ("**Index Securities**"), a specified share or basket of shares (including Stapled Shares (as defined in Share Condition 1)), a specified depositary receipt (a "**GDR/ADR**") referencing a share (an "**Underlying Share**") or basket of GDRs and/or ADRs ("**Share Securities**"), a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or any other exchange traded product (each an "**exchange traded instrument**") or basket of interests in exchange traded instruments ("**ETI Securities**"), a specified debt instrument or basket of debt instruments or futures or options contracts related to a specified debt instrument or basket of debt instruments (synthetic or otherwise) ("**Debt Securities**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Securities**"), a specified currency or basket of currencies ("**Currency Securities**"), a specified futures contract or basket of futures contract(s) ("**Futures Securities**") and/or Securities which relate to any combination of such indices, shares, interests in exchange traded instruments, debt instruments, commodities, currencies, futures contract(s) and other asset classes or types ("**Hybrid Securities**").

Securities related to a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, the credit of a specified reference entity or reference entities, a specified futures contract or basket of futures contracts, or Hybrid Securities related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are (i) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"); or (iii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**"); or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**"). Any such applicable U.S. wrapper may restrict the types of Securities that can be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered and the terms of such Securities.

If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates and, if an Averaging Date is a Disrupted Day, whether Omission, Postponement or Modified Postponement (each as defined in Condition 18 in the case of Warrants or Condition 25 in the case of Certificates) applies.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Securities shall be deemed to include references to (a) Physical Delivery Securities, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Security pursuant to Condition 5.3 and where settlement is to be by way of cash payment, and (b) Physical Delivery Securities where settlement is to be automatically varied to be by way of cash payment pursuant to Condition 5.3. References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Securities shall be deemed to include references to Cash Settled Securities which include an option (as set out in the applicable Final Terms) at the Issuer's election to request physical delivery of the relevant underlying asset in settlement of such Security pursuant to Condition 5.3 and where settlement is to be by way of physical delivery.

Securities may, if specified in the applicable Final Terms, allow Holders to elect for settlement by way of cash payment and/or by way of physical delivery. Those Securities where the Holder has elected for cash payment will be Cash Settled Securities and those Securities where the Holder has elected for physical delivery will be Physical Delivery Securities. The rights of a Holder as described in this paragraph may be subject to the Issuer's right to vary settlement as indicated in the applicable Final Terms and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Amount (as defined below) in lieu of physical delivery in accordance with these Conditions.

## 2.2 Title to Securities

Title to Securities held through Euroclear France ("**Euroclear France Securities**") will be evidenced in accordance with Article L.211-3 of the French *Code Monétaire et Financier* by book-entries (*inscription en compte*). No document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of such Securities. The Securities held through Euroclear France will, upon issue, be inscribed in the books of Euroclear France which will credit the accounts of the relevant Account Holders (including Euroclear S.A./N.V. and Clearstream Banking Luxembourg).

"**Euroclear Netherlands Securities**" means Securities held by Euroclear Netherlands. Title to Securities cleared through Euroclear Netherlands is established by account entry in accordance with the Dutch Act on Giro Transfers of Securities (*Wet giraal effectenverkeer*). No physical document or certificate will be issued in respect of such Securities.

In the case of Swedish Dematerialised Securities, the person (including a nominee account holder, as the case may be) for the time being recorded in the Euroclear Sweden Register as the holder of a particular amount of Securities shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, if any, the Security Agents, Euroclear Sweden and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly). The Issuer shall cause such Securities to be accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System in accordance with the SFIA Act and the rules of Euroclear Sweden. The Issuer shall have the right to obtain extracts from the debt register (*Sw. skuldbok*) of Euroclear Sweden in respect of the Securities. No physical document or certificate will be issued in respect of Swedish Dematerialised Securities.

Title to Securities cleared through Iberclear is established by account entry in accordance with the rules and procedures of Iberclear. No physical document or certificate will be issued in respect of such Securities.

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France, Euroclear Netherlands or Iberclear, as the case may be, and includes the depositary bank for Clearstream Banking Luxembourg and Euroclear and/or any other relevant Clearing System.

For the purpose of these Conditions, "**Holder**", "**Holder of Certificates**" and "**Holder of Securities**" mean the individual or entity whose name appears in the account held by the relevant Account Holder or the Issuer (as the case may be) as being entitled to such Certificates or Securities, as the case may be.

**Clearstream Frankfurt Securities** means securities to be issued by BNPP B.V. in materialised bearer form and cleared through Clearstream Banking Frankfurt.

Clearstream Frankfurt Securities are represented by one or more global certificates in bearer form (each, a **Global Security** and together, the **Global Securities**) which are deposited with Clearstream Banking Frankfurt. The Global Security will become exchangeable in whole, but not in part, for the Securities in definitive form when either Clearstream Banking Frankfurt is closed for business for a continuous period of fourteen (14) days, other than public holidays, or permanently ceases business or announces an intention to do so.

Any definitive Security issued in exchange for the Global Security will be issued in bearer form only. The relevant definitive Securities will be made available by the Issuer to the persons shown in the records of Clearstream Banking Frankfurt.

The Global Security shall bear the manual or facsimile signatures of any two authorised signatories of the Issuer as well as the signature of an authentication officer of the German Security Agent. The Global Security will be held in custody by or on behalf of Clearstream Banking Frankfurt until all obligations of the Issuer under the Securities have been satisfied. The Global Security will become exchangeable in whole, but not in part, for the Securities in definitive form when either Clearstream Banking Frankfurt is closed for business for a continuous period of fourteen (14) days, other than public holidays, or permanently ceases business or announces an intention to do so.

Definitive Securities will be signed (A) manually or in facsimile by any two directors of the Issuer who are both in office at the time of the issue of such definitive Securities or (B) manually or in facsimile by one director of the Issuer who is in office at the time of the issue of such definitive Securities and manually by a person to whom the authority to sign has been delegated by the board of directors of the Issuer or any other authorised signatory.

Clearstream Frankfurt Securities may only be issued and held outside France.

Subject to as set out below, title to Clearstream Frankfurt Securities will pass by delivery. The Issuer and the German Security Agent will (except as otherwise required by law or ordered by a competent authority) deem and treat the bearer of any Clearstream Frankfurt Security as the absolute owner thereof (whether or not the Clearstream Frankfurt Security is overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of the Clearstream Frankfurt Securities represented by a Global Security, without prejudice to the provisions set out in the next succeeding paragraph.

If a Clearstream Banking Security in definitive form is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the German Security Agent or such other agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to holders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may require. Mutilated or defaced Clearstream Banking Security in definitive form must be surrendered before replacements will be issued.

## **2.3 Transfers of Interests**

Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 22.

Transfers of Certificates may not be effected after the redemption of such Certificates pursuant to Condition 29.

Subject as set forth in this Condition, all transactions (including permitted transfers of Securities) in the open market or otherwise must be effected through Account Holder(s), subject to and in accordance with the rules and procedures for the time being of the relevant Clearing System(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream Banking Luxembourg and/or Euroclear and/or any other relevant Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Security Agent from time to time and notified to the Holders in accordance with Condition 10.

Title to Swedish Dematerialised Securities will pass upon registration of the transfer in the Euroclear Sweden Register (or, if applicable, upon notice to a nominee under the terms of the SFIA Act) in accordance with the SFIA Act.

For so long as the Clearstream Frankfurt Securities are represented by a Global Security held by or on behalf of Clearstream Banking Frankfurt, each person (other than Clearstream Banking Frankfurt) who is for the time being shown in the records of Clearstream Banking Frankfurt as the holder of a particular nominal value or number of such Security (in which regard any certificate or other document issued by Clearstream Banking Frankfurt as to the nominal value or number of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Security Agent (unless otherwise provided for by law or ordered by a competent authority) as the holder of such nominal value or number of such Securities for all purposes other than with respect to the payment of principal or interest on such Security, for which purpose the bearer of the relevant Global Security shall be treated by the Issuer and the German Security Agent as the holder of such nominal value or number of such Securities in accordance with and subject to the terms of the relevant Global Security and the expressions Holder and holder of Security and related expressions shall be construed accordingly.

The Securities which are represented by a Global Security will be transferable only in accordance with the rules and procedures for the time being of Clearstream Banking Frankfurt.

### **3. STATUS OF THE SECURITIES AND GUARANTEE**

The Securities are unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves.

The term "unsubordinated obligations" refers, in the case of Securities issued by BNPP, to senior preferred obligations which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-3° of the French *Code monétaire et financier*. Additionally, BNPP may not issue senior non-preferred securities pursuant to these Conditions.

The Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

Unless Waiver of Set-Off is specified as not applicable in the applicable Final Terms, no Holder may exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer (or, if applicable, the Guarantor) has or may have or acquire against such holder, directly or indirectly,

howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to the relevant Securities) and each such Holder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 3 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Holder of any Security but for this Condition 3.

For the purposes of this Condition 3, "**Waived Set-Off Rights**" means any and all rights of or claims of any holder of any Security for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Security.

#### 4. **GUARANTEE**

Where the Issuer is BNPP B.V., subject as provided below and in the Guarantee, the Guarantor has unconditionally and irrevocably (a) guaranteed to each Holder all obligations of the Issuer in respect of such Holder's Securities as and when such obligations become due and (b) agreed that if and each time that the Issuer fails to satisfy any obligations under such Securities as and when such obligations become due, the Guarantor will after a demand has been made on the Guarantor pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though the Guarantor were the principal obligor in respect of such obligations provided that (i) in the case of Physical Delivery Certificates and, in the case of Physical Delivery Warrants that are Call Warrants, notwithstanding that the Issuer had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, the Guarantor will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Security of an amount determined by the Guarantor in good faith and in a commercially reasonable manner equal to the Cash Settlement Amount that would have been payable upon exercise (in the case of Warrants) or redemption (in the case of Certificates) of such Securities assuming they were Cash Settled Securities calculated pursuant to the terms of the relevant Final Terms, or in the case of lack of liquidity of the underlying, the fair market value of such Security less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the costs of unwinding any underlying related hedging arrangements (the "**Guaranteed Cash Settlement Amount**") and (ii) in the case of Securities where the obligations of the Issuer which fail to be satisfied by the Guarantor constitute the delivery of the Entitlement to the Holders, the Guarantor will as soon as practicable following the failure by the Issuer to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of the Guarantor, delivery of the Entitlement using such method is not practicable by reason of (A) a Settlement Disruption Event (as defined in Condition 5.1) or (B) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 15.1), in lieu of such delivery the Guarantor will make payment in respect of each such Security of, in the case of (A) above, the Guaranteed Cash Settlement Amount or, in the case of (B) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of the Guarantor's obligations in respect of such Security. Payment of the Guaranteed Cash Settlement

Amount as the Failure to Deliver Settlement Price, as the case may be, will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## **5. GENERAL PROVISIONS RELATING TO PHYSICAL SETTLEMENT IN RESPECT OF SECURITIES**

### **5.1 Settlement Disruption**

If, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date (in the case of Warrants) or Delivery Date (in the case of Certificates), then such Settlement Date or Delivery Date, as the case may be, for such Securities shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Issuer may elect in good faith and in a commercially reasonable manner to satisfy its obligations in respect of the relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date or Delivery Date, as the case may be, shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date or Delivery Date, as the case may be, for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date or Delivery Date, as the case may be.

In the case of Warrants, in the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement.

For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in good faith and in a commercially reasonable manner to satisfy its obligations in respect of the relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, by payment to the relevant Holder of the Disruption Cash Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 that a Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor.

For the purposes hereof:

**"Disruption Cash Settlement Price"** means, in respect of any relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, the fair market value of such Security or in the case of Warrants, if applicable, Unit, as the case may be (disregarding, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such non-affected

Relevant Assets), less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Issuer in good faith and in a commercially reasonable manner, plus in the case of Warrants, if applicable and if already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a pro rata portion thereof has been paid, such *pro rata* portion);

**"Settlement Business Day"** has the meaning specified in the applicable Final Terms; and

**"Settlement Disruption Event"** means, in the opinion of the Calculation Agent or, if the proviso to Condition 4 applies, the Guarantor, an event beyond the control of the Issuer or, if the proviso to Condition 4 applies, the Guarantor as a result of which the Issuer or the Guarantor, as the case may be, cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

## **5.2 Failure to Deliver due to Illiquidity**

**"Failure to Deliver due to Illiquidity"**, if specified as applying in the applicable Final Terms, will be an Optional Additional Disruption Event, as described in Condition 15.1 below.

## **5.3 Variation of Settlement**

- (a) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Securities, and subject in the case of Warrants to a valid exercise of the Warrants in accordance with these Conditions, the Issuer may at its sole and absolute discretion in respect of each such Security or in the case of Warrants, if applicable, Unit, elect not to pay the relevant Holders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Holders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Condition 10.
- (b) If specified in the applicable Final Terms, and subject in the case of Warrants to a valid exercise of Warrants in accordance with these Conditions, the Issuer shall, in respect of each such Security or in the case of Warrants, if applicable, each Unit, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Holders, make payment of the Cash Settlement Amount on the Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) to the relevant Holders.

## **5.4 Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount**

Unless Issuer's Option to Substitute is specified as not applicable in the applicable Final Terms, following a valid exercise or redemption, as the case may be, of Securities in accordance with these Conditions, the Issuer may, in good faith and in a commercially reasonable manner in respect of such Securities, if the Calculation Agent determines (in good faith and in a commercially reasonable manner) that the Relevant Asset or Relevant Assets, as the case may be, comprise(s) shares or interests in ETIs which are not freely tradable, elect either (a) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in good faith and in a commercially reasonable manner) of such other shares or interests in ETIs which the Calculation Agent determines, in good faith and in a commercially reasonable manner, are freely tradable (the **"Substitute Asset"** or the **"Substitute Assets"**, as the case may be) or (b) not to deliver or

procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Holders, but in lieu thereof to make payment to the relevant Holders on the Settlement Date of an amount equal to the fair market value of the Entitlement on the Valuation Date as determined by the Calculation Agent in good faith and in a commercially reasonable manner by reference to such sources as it considers appropriate (the "**Alternate Cash Amount**"). Notification of any such election will be given to Holders in accordance with Condition 10.

For the purposes hereof, a "**freely tradable**" share or interest in an ETI shall mean (i) with respect to the United States, a share or interest in an ETI, as the case may be, which is registered under the Securities Act or not restricted under the Securities Act and which is not purchased from the issuer of such share or interest in an ETI, as the case may be, and not purchased from an Affiliate of the issuer of such share or interest in an ETI, as the case may be, or which otherwise meets the requirements of a freely tradable share or interest in an ETI, as the case may be, for purposes of the Securities Act, in each case, as determined by the Calculation Agent in good faith and in a commercially reasonable manner or (ii) with respect to any other jurisdiction, a share or interest in an ETI, as the case may be, not subject to any legal restrictions on transfer in such jurisdiction.

#### **5.5 Commodity Securities shall not be Physical Delivery Securities.**

### **6. GENERAL**

None of the Issuers, the Guarantor (if applicable), the Calculation Agent and any Security Agent shall have any responsibility for any errors or omissions (to the extent permitted by any applicable law) in the calculation of any Cash Settlement Amount or of any Entitlement.

The purchase of Securities does not confer on any Holder of such Securities any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

In making any election, modification, determination or adjustment, the Issuer or the Calculation Agent, as applicable, will act in good faith and in a commercially reasonable manner, to preserve or restore the economics of the agreed terms, as far as reasonably practicable. Any such election, modification, determination or adjustment shall not create a significant imbalance between the rights and obligations of the Issuer compared to the Holders, to the detriment of the Holders.

If Essential Trigger is specified as applicable in the applicable Final Terms, the Issuer or the Calculation Agent, as the case may be, may only modify or adjust the terms of the Securities (other than modifications or adjustments that do not relate to essential characteristics of the Securities) or redeem the Securities prior to their scheduled Redemption Date (in the case of Certificates), or cancel the Warrants prior to their scheduled Exercise Date (in the case of European Style Warrants) or Expiration Date (in the case of American Style Warrants) as described in the Terms and Conditions, following an event or circumstance (or combination of events or circumstances) that (a) is not attributable to the Issuer that significantly alters the economics of the Securities compared to the economics as of the Issue Date, or (b) constitutes a force majeure.

For the purpose of this Condition, essential characteristics of the Securities means characteristics of the Securities that are considered essential to the Holders, including without limitation, the yield (coupon structure) (in the case of Certificates), the Underlying Reference, the principal protected amount (if any), the identity of the Issuer and of the Guarantor, the scheduled Redemption Date (in the case of Certificates), the scheduled Exercise Date (in the case of European Style Warrants) or Expiration Date (in the case of American Style Warrants).



## **7. ILLEGALITY AND FORCE MAJEURE**

### **7.1 Illegality**

If the Issuer determines that the performance of its obligations under the Securities has become illegal in whole or in part for any reason, the Issuer may, in the case of Warrants, cancel, or in the case of Certificates, redeem all but not some only of the Securities by giving notice to Holders in accordance with Condition 10, provided that, if such illegality also constitutes a force majeure, the provisions of Condition 7.2 will apply.

If the Issuer cancels or redeems, as the case may be, the Securities then, if and to the extent permitted by applicable law:

- (a) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a) (in the case of Certificates) or 21.5(a) (in the case of Warrants);
- (b) if Market Value is specified in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b) (in the case of Certificates) or 21.5(b) (in the case of Warrants); or
- (c) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (d) otherwise, the Issuer will pay an amount to each Holder in respect of each Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, notwithstanding such illegality less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10.

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

### **7.2 Force Majeure**

If the Issuer determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible to perform its obligations under the Securities, the Issuer may, either (i) take the action described in Condition 15.2(a), or if applicable, (c) or (d) (save that references to “Additional Disruption Event” and/or “Optional Additional Disruption Event”, as applicable, will be deemed to be references to “force majeure”), or (ii) in the case of Warrants, cancel all, but not some only of the Warrants, or in the case of Certificates, redeem all, but not some only of the Certificates by giving notice to Holders in accordance with Condition 10.

If the Issuer cancels or redeems, as the case may be, the Securities then the Issuer will:

- (a) if Condition 7.2(a) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such force majeure or act of state, provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted; or
- (b) if Condition 7.2(b) is specified in the applicable Final Terms, if and to the extent possible or practicable, pay an amount (if any) to each Holder in respect of each Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value (if any) of a Security or Unit, as the case may be, taking into account such force majeure or act of state less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

Any payment will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## **8. PURCHASES**

The Issuer may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private treaty in accordance with applicable laws and regulations. Any Securities so purchased may be held or resold or surrendered for cancellation.

## **9. SECURITY AGENTS, DETERMINATIONS, MEETINGS PROVISIONS AND MODIFICATIONS**

### **9.1 Security Agents**

The specified offices of each of the Security Agents are as set out at the end of these Terms and Conditions.

Each of the Issuer and the Guarantor (if applicable) reserves the right at any time to vary or terminate the appointment of any Security Agent and to appoint further or additional Security Agents, provided that no termination of appointment of the Security Agent shall become effective until a replacement Security Agent shall have been appointed and provided that, so long as any of the Securities are listed on a stock exchange or are admitted to trading by another relevant authority, there shall be a Security Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority. Notice of any termination of appointment and of any changes in the specified office of any of the Security Agents will be given to Holders in accordance with Condition 10. In acting under the Agency Agreement (as amended or supplemented from time to time), the Security Agent acts solely as agent of the Issuer and the Guarantor (if applicable), and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders and any determinations and calculations made in respect of the Securities by the Security Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor (if applicable), and the respective Holders.

In the case of Swedish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Swedish Security Agent, provided that it appoints another Swedish Security Agent that is duly authorised under the SFIA Act as an account operator.

## 9.2 Calculation Agent

In relation to each issue of Securities, the Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor (if applicable), and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the Securities by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor (if applicable), and the Holders. Because the Calculation Agent may be an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Calculation Agent must make.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

## 9.3 Determinations by the Issuer and the Guarantor

Any determination made by the Issuer or the Guarantor (if applicable), pursuant to these Terms and Conditions shall, to the extent permitted by applicable law, (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor (if applicable), and the Holders.

## 9.4 Meetings of Holders

The Securities may or may not constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier*. Pursuant to this Article, *obligations* are negotiable securities which, within a same issue, confer the same rights for a same nominal amount.

In this Condition 9.4:

- (A) references to a "**General Meeting**" are to a general meeting of Holders of all Tranches of a single Series of Securities and include, unless the context otherwise requires, any adjourned meeting thereof;
- (B) references to "**Securities**" and "**Holders**" are only to the Securities of the Series in respect of which a General Meeting has been, or is to be, called, and to the Securities of the Series in respect of which a Written Resolution has been, or is to be sought, and to the holders of those Securities (excluding, for the avoidance of doubt, the Issuer), respectively;
- (C) "**outstanding**" has the meaning set out in paragraph (f) below;
- (D) "**Electronic Consent**" has the meaning set out in paragraph 9.4(a)(vii) below;
- (E) "**Written Resolution**" means a resolution in writing signed or approved by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Securities outstanding. References to a Written Resolution include, unless the context otherwise requires, a resolution approved by Electronic Consent; and
- (F) "**Written Resolution Date**" has the meaning set out in paragraph 9.4(a)(vii) below;

In respect of the meeting and voting provisions applicable to a Series of Securities, the relevant Final Terms shall provide one of the following options: "Not applicable", "Contractual representation of Holders/No *Masse*", "Full *Masse*" or "Contractual *Masse*", as further described in this Condition 9.4.

**"Not applicable"** means that the relevant Securities do not constitute obligations within the meaning of Article L.213-5 of the French Code *monétaire et financier* in which case this Condition 9.4 shall not apply and the Holders will not be grouped automatically for the defence of their common interests.

**"Contractual representation of Holders/No *Masse*"** means that the relevant Securities constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and will be specified in relation to Securities which can be traded in amounts or have a notional amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date). In this case sub-paragraph (a) below shall apply.

**"Full *Masse*"** means that the relevant Securities constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and will be specified in relation to Securities (i) which can be traded in amounts or have a notional amount of less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) and (ii) issued inside France. "Full *Masse*" may also be specified in relation to any relevant Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier*. In these cases sub-paragraph (b) below shall apply;

**"Contractual *Masse*"** means that the relevant Securities constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and will be specified in relation to Securities (i) which can be traded in amounts or have a notional amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or (ii) issued outside France ("*à l'étranger*"), within the meaning of Article L.228-90 of the French Code *de Commerce*. In this case sub-paragraph (c) below shall apply.

(a) Contractual representation of Holders/No *Masse*

If "Contractual representation of Holders/No *Masse*" is specified in the applicable Final Terms, the following meeting and voting provisions shall apply as follows:

(i) General

Pursuant to Article L.213-6-3 I of the French Code *monétaire et financier*:

(a) the Holders shall not be grouped in a *masse* having separate legal personality and acting in part through a representative of the holders (*représentant de la masse*) and in part through general meetings; however,

(b) the following provisions of the French Code *de commerce* shall apply: Articles L.228-46-1, L.228-57, L.228-58, L.228-59, L.228-60, L.228-60-1, L.228-61 (with the exception of the first paragraph thereof), L.228-65 (with the exception of (i) sub-paragraphs 1°, 3°, 4° and 6° of paragraph I and (ii) paragraph II), L.228-66, L.228-67, L.228-68, L.228-76, L.228-88, R.228-65, R.228-66, R.228-67, R.228-68, R.228-70, R.228-71, R.228-72, R.228-73, R.228-74 and R.228-75 of the French Code *de commerce*, and

(c) whenever the words "*de la masse*", "*d'une même masse*", "*par les représentants de la masse*", "*d'une masse*", "*et au représentant de la masse*", "*de la masse intéressée*", "*dont la masse est convoquée en assemblée*" or "*par un représentant de la masse*", appear in those

provisions, they shall be deemed to be deleted, and subject to the following provisions of this Condition 9.4(a).

(ii) Resolution

Subject to Condition 9.4(a) and in accordance with the provisions of Article L.228-46-1 of the French *Code de commerce*, a resolution (the "**Resolution**") may be passed (x) at a General Meeting in accordance with the quorum and voting rules described in paragraph 9.4(a)(vi) below or (y) by a Written Resolution.

A Resolution may be passed with respect to any matter that relates to the common rights (*intérêts communs*) of the Holders.

A Resolution may be passed on any proposal relating to the modification of the Conditions including any proposal, (i) whether for a compromise or settlement, regarding rights which are the subject of litigation or in respect of which a judicial decision has been rendered, and (ii) relating to a total or partial waiver of the guarantees granted to the holders, the deferral of any interest payment and the modification of the amortization or interest rate provisions.

For the avoidance of doubt, neither a General Meeting nor a Written Resolution has power, and consequently a Resolution may not be passed to decide on any proposal relating to (a) the modification of the objects or form of the Issuer, (b) the issue of securities benefiting from a security over assets (*surêté réelle*) which will not benefit to the holders of Securities, (c) the potential merger (*fusion*) or demerger (*scission*) including partial transfers of assets (*apports partiels d'actifs*) under the demerger regime of or by the Issuer; (d) the transfer of the registered office of a European Company (*Societas Europaea – SE*) to a different Member State of the European Union.

However, each Holder is a creditor of the Issuer and as such enjoys, pursuant to Article L.213-6-3 IV of the French *Code monétaire et financier*, all the rights and prerogatives of individual creditors in the circumstances described under items (c) and (d) in the paragraph above, including any right to object (*former opposition*).

Each Holder is entitled to bring a legal action against the Issuer for the defence of its own interests; such a legal action does not require the authorisation of the General Meeting.

The Holders may appoint a nominee to file a proof of claim in the name of all Holders in the event of judicial reorganisation procedure or judicial liquidation of the Issuer.

Pursuant to Article L.228-85 of the French *Code de commerce*, in the absence of such appointment of a nominee, the judicial representative (*mandataire judiciaire*), at its own initiative or at the request of any Holder will ask the court to appoint a representative of the Holders who will file the proof of Holders' claim.

(iii) Convening of a General Meeting

A General Meeting may be held at any time, on convocation by the Issuer. One or more Holders, holding together at least one-thirtieth by number of the Securities outstanding, may address to the Issuer a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, the Holders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 10, not less than fifteen days prior to the date of such General Meeting on first convocation and, five days on second convocation.

(iv) Arrangements for Voting

Each Holder has the right to participate in a General Meeting in person, by proxy, by correspondence or by videoconference or by any other means of telecommunication allowing the identification of participating Holders.

Each Security carries the right to one vote.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant account holder of the name of such Holder as of 0:00, Paris time, on the second Paris business day preceding the date set for the meeting of the relevant General Meeting.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 10.

(v) Chairman

The Holders present at a General Meeting shall choose one of them to be chairman (the "**Chairman**") by a simple majority of votes present or represented at such General Meeting (notwithstanding the absence of a quorum at the time of such vote). If the Holders fail to designate a Chairman, the Holder holding or representing the highest number of Securities and present at such meeting shall be appointed Chairman, failing which the Issuer may appoint a Chairman. The Chairman appointed by the Issuer need not be a Holder. The Chairman of an adjourned meeting need not be the same person as the Chairman of the original meeting from which the adjournment took place.

(vi) Quorum and Voting

General Meetings may deliberate validly on first convocation only if Holders present or represented hold at least one fifth (by number) of the Securities then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Holders attending (including by videoconference or by any other means of telecommunication allowing the identification of participating Holders) such General Meetings or represented thereat.

(vii) Written Resolution and Electronic Consent

Pursuant to Article L.228-46-1 of the French *Code de commerce* the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Holders by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of electronic communication ("**Electronic Consent**").

Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five (5) days prior to the date fixed for the passing of such Written Resolution (the "**Written Resolution Date**"). Notices

seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Securities until after the Written Resolution Date.

(viii) Effect of Resolutions

A Resolution passed at a General Meeting or a Written Resolution (including by Electronic Consent), shall be binding on all Holders, whether or not present or represented at the General Meeting and whether or not, in the case of a Written Resolution (including by Electronic Consent), they have participated in such Written Resolution (including by Electronic Consent) and each of them shall be bound to give effect to the Resolution accordingly.

(b) Full *Masse*

If the relevant Final Terms specify “Full *Masse*”, the Holders will be grouped automatically for the defence of their common interests in a separate legal body called *masse* (the “**Masse**”). The *Masse* will be governed by the provisions of Articles L.228-46 *et seq* of the French *Code de commerce*, as completed by, and subject to the provisions below.

(i) Legal Personality

The *Masse* will be a separate legal entity and will act in part through a representative of the *Masse* (the “**Representative**”) and in part through a general meeting of the Holders (a “**General Meeting**”). The provisions of the French *Code de commerce* relating to the *Masse* shall apply, as completed by, and subject to, the provisions of this Condition.

(ii) Representative of the *Masse*

Pursuant to Article L.228-51 of the French *Code de commerce*, the names and addresses of the initial Representative of the *Masse* and its alternate will be set out in the applicable Final Terms. The Representative appointed in respect of the first Tranche of any Series of Securities will be the Representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement, liquidation, dissolution or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement, liquidation, dissolution or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Holders.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified office of the Principal Security Agent.

(iii) General Meetings

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder as of 0:00, Paris time, on the second Paris business day preceding the date set for the meeting of the relevant General Meeting.

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of date, hour, place and agenda of any General Meeting will be published as provided under Condition 10 not less than fifteen (15) days prior to the date of such General Meeting on first convocation, and five days on second convocation.

Each Holder has the right to participate in a General Meeting in person, by proxy, by correspondence and, in accordance with Article L.228-61 of the French *Code de commerce* by videoconference or by any other means of telecommunication allowing the identification of participating Holders.

Each Security carries the right to one vote.

(iv) Written Resolutions and Electronic Consent

(A) Pursuant to Article L.228-46-1 of the French *Code de commerce* the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Holders by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of Electronic Consent.

(B) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five days prior to the Written Resolution Date. Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Securities until after the Written Resolution Date.

(c) Contractual *Masse*

If the relevant Final Terms specify “Contractual *Masse*”, the following meeting and voting provisions shall apply:

The Holders will be grouped automatically for the defence of their common interests in a separate legal body called *masse* (the “**Masse**”). The *Masse* will be governed by the provisions of the French *Code de commerce*, and with the exception of Articles L.228-48, L.228-65 subparagraphs 1°, 3°, 4° and 6° of I and II, L.228-71, R.228-63 and R.228-69 and further subject to the following provisions:

(i) Legal Personality

The *Masse* will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of the Holders (the “**General Meeting**”).

(ii) Representative

Pursuant to Article L.228-51 of the French *Code de commerce*, the names and addresses of the initial Representative of the *Masse* and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first tranche of any series of Securities will be the representative of the single *Masse* of all Tranches in such Series.



The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting of the Holders.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified office of the Principal Security Agent.

(iii) General Meeting

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder as of 0:00, Paris time, on the second Paris business day preceding the date set for the meeting of the relevant General Meeting.

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of date, hour, place and agenda of any General Meeting will be published as provided under Condition 10 not less than fifteen (15) days prior to the date of such General Meeting on first convocation, and five (5) days on second convocation.

Each Holder has the right to participate in a General Meeting in person, by proxy, by correspondence and, in accordance with Article L.228-61 of the French *Code de commerce* by videoconference or by any other means of telecommunication allowing the identification of participating Holders.

Each Security carries the right to one vote.

(iv) Written Resolutions and Electronic Consent

(A) Pursuant to Article L.228-46-1 of the French *Code de commerce* the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Holders by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of Electronic Consent.

(B) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five days prior to the Written Resolution Date. Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Securities until after the Written Resolution Date.

(d) Information to Holders

Each Holder will have the right, during (i) the 15-day period preceding the holding of the relevant General Meeting on first convocation or (ii) the 5-day period preceding the holding of

the relevant General Meeting on second convocation or (iii) in the case of a Written Resolution, a period of not less than five days preceding the Written Resolution Date, as the case may be, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be prepared in connection with such resolution, all of which will be available for inspection by the relevant Holders at the registered office of the Issuer, at the specified offices of any of the Security Agents during usual business hours and at any other place specified in the notice of the General Meeting or the Written Resolution.

Decisions of General Meetings and Written Resolution once approved will be published in accordance with the provisions of Condition 10.

(e) Expenses

If "Contractual representation of Holders/No *Masse*" or "Contractual *Masse*" is specified in the applicable Final Terms, the Issuer will pay all expenses relating to the operation of the *Masse* and expenses relating to the calling and holding of General Meetings and seeking the approval of a Written Resolution, and, more generally, all administrative expenses resolved upon by the General Meeting or in writing through Written Resolution by the Holders, it being expressly stipulated that no expenses may be imputed against interest payable under the Securities.

If "Full *Masse*" is specified in the applicable Final Terms, Article L. 228-71 of the French *Code de commerce* shall apply.

(f) Outstanding Securities

For the avoidance of doubt, in this Condition 9.4, the term "**outstanding**" (as defined below) shall not include those Securities purchased by the Issuer in accordance with Article L.213-0-1 of the French *Code monétaire et financier* that are held by it and not cancelled.

"**outstanding**" means, in relation to the Securities of any Series, all the Securities issued other than:

- a) those Securities which have been redeemed and cancelled pursuant to the Conditions;
- b) those Securities in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest (if any) accrued to the date for redemption and interest (if any) payable under the Conditions after that date) have been duly paid to or to the order of the Principal Security Agent;
- c) those Securities which have been purchased and cancelled in accordance with the Conditions;
- d) those Securities in respect of which claims have become prescribed under the Conditions;
- e) in the case of Clearstream Frankfurt Securities in definitive form (i) those mutilated or defaced that have been surrendered in exchange for replacement Clearstream Frankfurt Securities in definitive form, (ii) (for the purpose only of determining how many such Clearstream Frankfurt Securities are outstanding and without prejudice to their status for any other purpose) those Clearstream Frankfurt Securities alleged to have been lost, stolen or destroyed and in respect of which replacement Clearstream Frankfurt Securities;

provided that for the purpose of attending and voting at any meeting of the Holders of the Series, those Securities (if any) which are for the time being held by or for the benefit of the Issuer or any of its subsidiaries shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

(g) Sole Holder

Whether the relevant Final Terms specify “Full *Masse*” or “Contractual *Masse*”, if and for so long as the Securities of a given Series are held by a single Holder, the relevant Holder will exercise directly the powers delegated to the Representative and General Meetings of Holders under the Conditions. For the avoidance of the doubt if a Representative has been appointed while the Securities of a given Series are held by a single Holder, such Representative shall be devoid of powers. A Representative shall only be appointed if the Securities of a Series are held by more than one Holder.

## 9.5 Modifications

Without prejudice to Condition 6, the Issuer may modify these Terms and Conditions and/or the Agency Agreement (as amended or supplemented from time to time) without the consent of the Holders (but in the case of Swedish Dematerialised Securities, with the consent of Euroclear Sweden) in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Holders or such modification is of a formal, minor or technical nature or to cure, correct or supplement a manifest or proven error or to cure, correct or supplement any defective provision contained herein and/or therein or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Notice of any such modification will be given to the Holders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

## 10. NOTICES

All notices to Holders shall be valid if:

- (a) delivered to the relevant Account Holders for communication by them to the Holders;
- (b) in the case of Securities held through Euroclear France listed on Euronext Paris or Euroclear Netherlands Securities listed on Euronext Amsterdam (other than Securities issued and cleared through Iberclear listed on the Madrid Stock Exchange), and in the case of OET Certificates and Call Payout 2300, published on the "Certificate" website of the Issuer ("[www.produitsdebourse.bnpparibas.fr](http://www.produitsdebourse.bnpparibas.fr)" or [www.bnpparibasmarkets.be](http://www.bnpparibasmarkets.be) or [www.bnpparibasmarkets.nl](http://www.bnpparibasmarkets.nl) or [www.educatedtrading.bnpparibas.se](http://www.educatedtrading.bnpparibas.se)) or other website of the Issuer as may be notified to Holders;
- (c) in the case of Securities issued and cleared through Iberclear and listed on the Madrid Stock Exchange, published by the Madrid Stock Exchange or on any other stock exchange in Spain, if applicable, in the manner specifically provided by Spanish law and regulations for the relevant notice, as the case may be;
- (d) in the case of Swedish Dematerialised Securities, mailed to a Holder on the address registered for such Holder in the Euroclear Sweden Register maintained by Euroclear Sweden in accordance with the rules of Euroclear Sweden;

- (e) for so long as the Securities are listed on a stock exchange or are admitted to trading by another relevant authority, in accordance with the rules and regulations of the relevant stock exchange or other relevant authority. Any such notice shall be deemed to have been given on the second Business Day following such delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication;
- (f) so long as the Clearstream Frankfurt Securities are represented by a Global Security, the Issuer shall deliver all notices relating to the Securities to Clearstream Banking Frankfurt for communication by it to the Holders. Any such notice shall be deemed to have been given to the Holders on the third day after the date on which the said notice was given to Clearstream Banking Frankfurt; and
- (g) Notices relating to the operation of the *Masse* pursuant to Condition 9.4 and pursuant to Articles R. 228-79 and R.236-11 of the French *Code de commerce* shall be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream Banking Luxembourg and any other clearing system through which the Securities are for the time being cleared. For the avoidance of doubt, Conditions 10(a) and (e) above shall not apply to such notices.

## 11. EXPENSES AND TAXATION

- 11.1 A Holder must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the disposal, exercise and settlement (in the case of Warrants) or redemption (in the case of Certificates) of the Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("Security Expenses") relating to such Securities as provided above.
- 11.2 The Issuer shall deduct from amounts payable or from assets deliverable to Holders all Related Expenses, not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent shall in good faith and in a commercially reasonable manner determine are attributable to the Securities.

For the avoidance of doubt, the Issuer shall not be liable for any Related Expenses and Holders shall be liable to pay the Related Expenses attributable to their Securities.

"**Expenses**" means Security Expenses and any Related Expenses.

"**Related Expenses**" means (a) all present, future, prospective, contingent or anticipated Taxes which are (or may be) or were (or may have been) withheld or payable under the laws, regulations or administrative practices of any state (or any political sub-division or authority thereof or therein) and (b) any other present, future, or contingent expenses (including without limitation, any applicable depository charges, transaction charges, issue registration, securities transfer or other expenses) which are (or may be) or were (or may have been) payable, in each case in respect of or in connection with:

- (i) the issue, transfer or enforcement of the Securities;
- (ii) any payment (or delivery of assets) to Holders;
- (iii) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (had such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, acting in good faith and in a

commercially reasonable manner, may determine to be appropriate as a hedge or related trading position in connection with the Securities; or

- (iv) any of the Issuer's (or any Affiliates') other hedging arrangements in connection with the Securities.

**"Taxes"** means taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges (including any stamp, registration or transfer tax, duty or other charge or tax on income, payments (or delivery of assets), profits, capital gains or, for the avoidance of doubt, any withholding or deduction required pursuant to (i) an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any agreements or regulations thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto) together with any interest, additions to tax or penalties and (ii) Section 871(m) of the Code.

## **12. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of Holders to create and issue further Securities so as to be consolidated with and form a single series with the outstanding Securities.

## **13. SUBSTITUTION OF THE ISSUER OR THE GUARANTOR**

### **13.1 Substitution Event**

The occurrence of any of the following events, in respect of the Issuer or the Guarantor, as the case may be, shall constitute a **"Substitution Event"**:

- (a) a divestment in respect of the Issuer;
- (b) the cancellation, suspension or revocation of any relevant authorisation or licence of the Issuer or the Guarantor, as the case may be, by any governmental, legal or regulatory authority;
- (c) a consolidation, amalgamation, merger or binding share exchange in respect of the Issuer or the Guarantor, as the case may be, with or into another entity or person;
- (d) a takeover offer, tender offer, exchange offer, solicitation proposal or other event by any entity or person to purchase or otherwise obtain a controlling stake in the Issuer or the Guarantor, as the case may be; or
- (e) any other event affecting the Issuer or the Guarantor, as the case may be, pursuant to which substitution is permissible in accordance with the regulations of any stock exchange, any applicable law or regulation in force in the jurisdiction of the Issuer or the Guarantor, as the case may be or any applicable law or regulation in force in the jurisdiction in which the securities are offered.

### **13.2 Substitution Conditions**

A substitution of the Issuer pursuant to Conditions 13.3 or 13.4 below may only occur if the following conditions (the **"Substitution Conditions"**) are satisfied:

- (a) where BNPP B.V. is the Issuer, the creditworthiness of the Substitute at such time being at least equal to the creditworthiness of the Issuer (or of any previous substitute), as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to, *inter alia*, the long term senior debt ratings (if any) assigned by S&P Global

Ratings Europe Limited, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute or, as the case may be, to the Issuer (or to any previous substitute);

- (b) the Issuer confirms that there are no payment arrears in respect of the Securities and that there is no indication that payments will imminently be in arrears or that there may be any issues in making any payments in respect of the Securities;
- (c) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
- (d) the Substitute becomes party to the Agency Agreement (unless the Substitute is already a party to the Agency Agreement) with any appropriate consequential amendments, as if it had been an original party to it;
- (e) each stock exchange on which the Securities are listed has confirmed that, following the proposed substitution of the Substitute, the Securities will continue to be listed on such stock exchange and in the case of Swedish Dematerialised Securities, Euroclear Sweden, has consented to such substitution (such consent not to be unreasonably withheld or delayed);
- (f) if appropriate, the Substitute has appointed a process agent as its agent in to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities; and
- (g) the Issuer has given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.

### 13.3 **Securities issued by BNPP**

BNPP or any previously substituted company, may, but is not obliged to, at any time, without the consent of the Holders, substitute for itself as principal obligor under the Securities another company within the BNP Paribas Group (the "**Substitute**"), subject to:

- (a) BNPP unconditionally and irrevocably guaranteeing in favour of each Holder the performance of all obligations by the Substitute under the Securities;
- (b) BNPP having obtained from the Substitute an undertaking that the substitution will not have a material impact on the interests of the Holders as a consequence of any tax or regulatory regime to which the Substitute is subject (compared to the Issuer) and that it will not deduct any costs relating to the substitution from amounts due to the Holder; and
- (c) the Substitution Conditions having been satisfied.

### 13.4 **Securities issued by BNPP B.V.**

Following the occurrence of a Substitution Event, the Issuer may, but is not obliged to, without the consent of the Holders, substitute for itself as principal obligor under the Securities a Substitute, being BNPP B.V. (where BNPP B.V. has previously been substituted as Issuer) or any other company in the BNP Paribas Group, subject to:

- (a) BNPP unconditionally and irrevocably guaranteeing in favour of each Holder the performance of all obligations by the Substitute under the Securities on substantially the same terms as the relevant Guarantee;
- (b) BNPP B.V. having obtained from the Substitute an undertaking that the substitution will not have a material impact on the interests of the Holders as a consequence of any tax or regulatory regime to which the Substitute is subject (compared to the Issuer) and that it will not deduct any costs relating to the substitution from amounts due to the Holder; and
- (c) the Substitution Conditions having been satisfied.

### 13.5 Securities guaranteed by BNPP

Following the occurrence of a Substitution Event, BNPP or any previously substituted company may, but is not obliged to, without the consent of the Holders, substitute for itself as guarantor in respect of the Securities any company (the "**Substitute Guarantor**"), being BNPP (where BNPP has previously been substituted as Guarantor) or another company in the BNP Paribas Group subject to:

- (a) the creditworthiness of the Substitute Guarantor at such time being at least equal to the creditworthiness of BNPP (or of any previous substitute under this Condition), as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner by reference to, *inter alia*, the long term senior debt ratings (if any) assigned by S&P Global Ratings Europe Limited, a division of The McGraw-Hill Companies, Inc. and/or Moody's Investors Service Ltd. and/or Fitch Ratings Limited, or any successor rating agency or agencies thereto, or such other rating agency as the Calculation Agent determines to the Substitute Guarantor or, as the case may be, to BNPP (or to any previous substitute under this Condition);
- (b) the Substitute Guarantor having entered into a guarantee (the "**Substitute Guarantee**") in respect of the Securities in substantially the same form as the relevant BNPP Guarantee and such other documents (if any) as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute Guarantor shall undertake in favour of each Holder to be bound by these Terms and Conditions, the provisions of the Agency Agreement as fully as if the Substitute Guarantor had been named in these Terms and Conditions, the Documents, the Agency Agreement as the guarantor in respect of the Securities in place of BNPP (or of any previous substitute under this Condition);
- (c) the Substitute Guarantee and the Documents having been delivered to BNP Paribas Securities Services, to be held by BNP Paribas Securities Services for so long as any Securities remain outstanding and for so long as any claim made against the Substitute Guarantor or the Issuer by any Holder in relation to the Securities, the Substitute Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
- (d) each stock exchange on which the Securities are listed having confirmed that following the proposed substitution of the Substitute Guarantor (or of any previous substitute under this Condition) it will continue to list the Securities and in the case of Swedish Dematerialised Securities, Euroclear Sweden, has consented to such substitution (such consent not to be unreasonably withheld or delayed);

- (e) if appropriate, the Substitute Guarantor having appointed a process agent as its agent in France to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities or the Substitute Guarantee;
- (f) BNPP (or any previous substitute under this Condition) having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10;
- (g) BNPP confirming that there are no payment arrears in respect of the Securities and that there is no indication that payments will imminently be in arrears or that there may be any issues in making any payments in respect of the Securities; and
- (h) BNPP having obtained from the Substitute Guarantor an undertaking that the substitution will not have a material impact on the interests of the Holders as a consequence of any tax or regulatory regime to which the Substitute is subject (compared to the Issuer) and that it will not deduct any costs relating to the substitution from amounts due to the Holder.

#### 14. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- (a) The Securities, the Agency Agreement (as amended or supplemented from time to time) and the Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding against the Issuer in relation thereto ("**Proceedings**") may be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (Cour d'Appel de Paris). BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.
- (b) If Essential Trigger is specified as applicable in the applicable Final Terms and, to the extent that any proceedings in respect of the Securities relate to consumers (as such term is used in Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the "**Brussels Recast Regulation**")), notwithstanding Condition 14(a), the Issuer will be required to, and such consumers may, in respect of any dispute in respect of the Securities, take proceedings in the jurisdictions specified in Article 18 of the Brussels Recast Regulation.

#### 15. ADDITIONAL DISRUPTION EVENTS AND OPTIONAL ADDITIONAL DISRUPTION EVENTS

##### 15.1 Definitions

"**Additional Disruption Event**" means (i) if "Applicable" is specified in the applicable Final Terms, Change in Law and Hedging Disruption, (ii) if "Not applicable" is specified in the applicable Final Terms, none of Change in Law and Hedging Disruption, (iii) if "Change in Law does not apply to the Securities" is specified in the applicable Final Terms, Hedging Disruption and (iv) if "Hedging Disruption does not apply to the Securities" is specified in the applicable Final Terms, Change in Law;"

"**Administrator/Benchmark Event**" means the Calculation Agent determines that:

- (i) a Benchmark Modification or Cessation Event has occurred or will occur;
- (ii) any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of a relevant Benchmark or the administrator or sponsor of a relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other



relevant official body, in each case with the effect that the Issuer or the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the relevant Benchmark to perform its or their respective obligations under the Securities; or

- (iii) it is not commercially reasonable to continue the use of a relevant Benchmark in connection with the Securities from the perspective of the Issuer or the Calculation Agent or the Issuer or the Calculation Agent suffers or will suffer an increased cost, in each case, as a result of any applicable licensing restrictions or changes in the cost of obtaining or maintaining any relevant licence (including, without limitation, where the Issuer, the Calculation Agent or any other entity is required to hold a valid licence in order to issue or perform its obligations in respect of the Securities and for any reason such licence is either not obtained, not renewed or is revoked or there is a material change in the cost of obtaining or renewing such licence);

**"Benchmark"** means any figure, value, level or rate which is a benchmark as defined in BMR and where any amount payable or deliverable under the Securities, or the value of the Securities, is determined, in whole or in part, by reference to such figure, value, level or rate all as determined by the Calculation Agent;

**"Benchmark Modification or Cessation Event"** means, in respect of the Benchmark any of the following has occurred or will occur:

- (i) any material change in such Benchmark; or
- (ii) the permanent or indefinite cancellation or cessation in the provision of such Benchmark;

**"BMR"** means the EU Benchmark Regulation (Regulation (EU) 2016/1011);

**"Cancellation Event"** means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for the Issuer or its Affiliates to hedge the Issuer's obligations in respect of the Securities;

**"Change in Law"** means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, in respect of any tax law, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation or application of any law or regulation by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once, the Issuer determines in good faith and in a commercially reasonable manner that:

- (i) it has become illegal for it or any of its Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Securities), any relevant hedge position relating to a Share (in the case of Share Securities), any relevant hedge position relating to an ETI Interest (in the case of ETI Securities), any relevant hedge position relating to a Debt Instrument (in the case of Debt Securities) or any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Securities) (each a **"Hedge"**); or
- (ii) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency, regulatory or capital requirements) in maintaining the Securities in issue or, unless Hedge Maintenance Cost is specified as not applicable in the applicable Final Terms, in holding, acquiring or disposing of any Hedge;

**"Currency Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates (a) to convert the relevant currency ("**Local Currency**") in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index or the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Securities) are denominated, into the Settlement Currency, or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index or the Shares respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Securities;

**"Extraordinary External Event"** means that, on or after the Trade Date, the performance of the Issuer's obligations under the Securities is prevented or materially hindered or delayed due to:

- (i) any act (other than a Market Disruption Event), law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any Government Authority or otherwise; or
- (ii) the occurrence of civil war, disruption, military action, unrest, political insurrection, terrorist activity of any kind, riot, public demonstration and/or protest, or any other financial or economic reasons or any other causes or impediments beyond such party's control; or
- (iii) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer or any of its Affiliates, of all or substantially all of its assets in the Local Currency jurisdiction.

**"Failure to Deliver due to Illiquidity"** means, following the exercise of Physical Delivery Securities, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the "**Affected Relevant Assets**") comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Relevant Assets;

**"Government Authority"** means any nation, state or government, any province or other political subdivision thereof, any body, agency or ministry, any taxing, monetary, foreign exchange or other authority, court, tribunal or other instrumentality and any other entity exercising, executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

**"Hedging Disruption"** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the Securities, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s), asset(s) or futures or options contract(s) or any relevant hedge positions relating to the Securities;

**"Hedging Shares"** means the number of components comprised in an Index (in the case of Index Securities) or the number of Shares (in the case of Share Securities) that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

**"Increased Cost of Hedging"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any Commodity or, in the case of a Commodity Index, Index Component (in the case of Commodity Securities) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, or, in respect of any Debt Securities, any relevant hedge positions relating to a Debt Instrument it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest risk) of the Issuer issuing and performing its obligations with respect to the Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, or, in respect of any Debt Securities, any relevant hedge positions relating to a Debt Instrument, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

**"Increased Cost of Stock Borrow"** means that the Issuer and/or any of its Affiliates would incur a rate to borrow any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) that is greater than the Initial Stock Loan Rate;

**"Initial Stock Loan Rate"** means, in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the initial stock loan rate specified in relation to such Share, security, component or commodity in the applicable Final Terms;

**"Insolvency Filing"** means that a Share Company or Basket Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or Basket Company shall not be deemed an Insolvency Filing;

**"Jurisdiction Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates to purchase, sell, hold or otherwise deal (or to continue to do so in the future) in the Index, the Shares, the Debt Instruments or, unless Hedging Arrangements is specified as not applicable in the applicable Final Terms, any options or futures contracts in relation to the Index, the Shares or the Debt Instruments in order for the Issuer to perform its obligations:

- (i) under the Securities; or
- (ii) unless Hedging Arrangements is specified as not applicable in the applicable Final Terms, in respect of any relevant hedging arrangements in connection with the Securities (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position, commodity position or other instruments or arrangements (however described) by the Issuer and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Securities),

or the costs of so doing would (in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner) be materially increased under the restriction or limitation of the existing or future law, rule, regulation, judgment, order, interpretation, directive or decree of any Government Authority or otherwise;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Optional Additional Disruption Event"** means any of Administrator/Benchmark Event, Cancellation Event, Currency Event, Failure to Deliver due to Illiquidity, Extraordinary External Event, Increased Cost of Hedging, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow, Stop-Loss Event and/or Significant Alteration Event, in each case if specified in the applicable Final Terms;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Significant Alteration Event"** means any event or circumstance or combination of events or circumstances occurring after the Trade Date that is not attributable to the Issuer but which in the determination of the Issuer or the Calculation Agent, acting in good faith and in a commercially reasonable manner, significantly alters the economics of the Securities as at the Trade Date where such event renders the performance of the Issuer's obligations under the Securities unduly onerous or results in a material increase in costs incurred by the Issuer associated with the Securities as a consequence of a change in any applicable law or regulation (including, without limitation, in respect of any tax laws, solvency or regulatory capital requirements), nationalisation, or regulatory action but, in each case, where such event does not constitute a force majeure pursuant to Condition 7.2 (*Force Majeure*), or, to the extent permitted by applicable law, in other similar events or circumstances that would in the determination of the Issuer or the Calculation Agent, acting in good faith and in a commercially reasonable manner, significantly alter the economics of the Securities as at the Trade Date;

**"Stop-Loss Event"** means, in respect of a Share, the price of any Share as quoted on the relevant Exchange for such Share at the Scheduled Closing Time on any Scheduled Trading Day that is not a Disrupted Day in respect of such Share on or after the Trade Date or, if later, the Strike Date, is less than 5 per cent., or such percentage specified in the applicable Final Terms, of its Strike Price or, if no Strike Price is specified in the applicable Final Terms, the price given as the benchmark price for such Share in the applicable Final Terms, all as determined by the Calculation Agent; and

**"Trade Date"** has the meaning given to it in the applicable Final Terms.

- 15.2 If Additional Disruption Events are specified as applicable in the applicable Final Terms and an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Issuer acting in good faith and in a commercially reasonable manner may take the action described in (a) or, if applicable, (b), (c), (d) or (e), as the case may be, below:

- (a) require the Calculation Agent to determine in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant

Asset and/or the Entitlement and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment. In the case of an Administrator/Benchmark Event, such adjustment may (a) consist of one or more amendments and/or be made on one or more dates, (b) be determined by reference to any adjustment(s) in respect of the relevant event or circumstance in relation to any hedging arrangements in respect of the Securities and (c) include, without limitation, selecting a successor benchmark(s) and making related adjustments to the Conditions of the Securities including, where applicable, and unless Unwind Costs is specified as not applicable, to reflect any increased costs of the Issuer providing such exposure to the successor benchmark(s) and, in the case of more than one successor benchmark, making provision for allocation of exposure as between the successor benchmarks;

- (b) in the case of Warrants, cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the relevant Final Terms) plus, if applicable and already paid, the Exercise Price, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10;
- (c) in the case of Certificates,
  - (i) unless Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event, Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms, on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of

unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or

- (ii) if Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or
  - (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
  - (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
  - (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (d) in the case of Index Securities linked to a Custom Index, the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 10 and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions

and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in good faith and in a commercially reasonable manner which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or

- (e) in the case of Share Securities linked to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant Issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

$$\text{InitialPrice} = A \times (B/C)$$

where:

"A" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected Share; and

"C" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant date of the Additional Disruption Event and/or Optional Additional Disruption Event.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must be a share which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner:

- (i) is not already included in the Basket of Shares;
- (ii) the relevant issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and
- (iii) the relevant issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.

If a Failure to Deliver due to Illiquidity occurs:

- (A) subject as provided elsewhere in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) in accordance with Condition 5.1 and (in the case of Warrants) the Calculation Agent shall determine acting in good faith and in a commercially reasonable manner the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in good faith and in a commercially reasonable manner to satisfy its obligations in respect of the relevant Security or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

For the purposes hereof:

**"Failure to Deliver Settlement Price"** means, in respect of any relevant Security, or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, the fair market value of such Security or Unit, as the case may be (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in good faith and in a commercially reasonable manner, plus, in the case of Warrants, if applicable and already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion).

Notwithstanding the foregoing the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

- 15.3 Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10 stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

## **16. KNOCK-IN EVENT AND KNOCK-OUT EVENT**

- 16.1 If "Knock-in Event" is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the Conditions to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.



- 16.2 If "Knock-out Event" is specified as applicable in the applicable Final Terms, then any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the Conditions to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.
- 16.3 In respect of Index Securities, Share Securities, ETI Securities, Debt Securities and Futures Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day (a) in respect of Securities other than Custom Index Securities or Debt Securities, at any time during the one hour period that begins or ends at the Valuation Time the relevant Level triggers the Knock-in Level, the Knock-out Level, the Knock-out High Barrier or the Knock-out Low Barrier, as applicable, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, or (b) in respect of Custom Index Securities or Debt Securities, a Custom Index Disruption event is occurring, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Trading Disruption, Exchange Disruption, Early Closure or Custom Index Disruption event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the relevant Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.
- 16.4 In respect of Commodity Securities or Currency Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Commodity Disrupted Day or a Disrupted Day, as applicable, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such day being a Commodity Disrupted Day or a Disrupted Day, as the case may be or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.
- 16.5 In respect of Securities other than Custom Index Securities or Debt Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the relevant Level triggers the Knock-in Level, the Knock-out Level, the Knock-out High Barrier or the Knock-out Low Barrier, as applicable, (a) in the case of Index Securities, Share Securities, ETI Securities and Futures Securities, a Trading Disruption, Exchange Disruption or Early Closure, (b) in the case of Currency Securities, a Disruption Event or (c) in the case of Commodity Securities, a Market Disruption Event, in each case occurs or exists, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event or Knock-out Event may occur notwithstanding such Trading Disruption, Exchange Disruption, Early Closure, Disruption Event or Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that, in the case of Securities other than Commodity Securities or Currency Securities, if, by operation of this provision, no Knock-in Determination Day or

Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the relevant Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.

- 16.6 In respect of Debt Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the exchange on which the relevant Debt Instrument is traded or on any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded and if on any Knock-in Determination Day or Knock-out Determination Day and at any time at which the relevant Level triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event has occurred or is occurring, then (i) if Disruption Consequences are specified as not applicable in the applicable Final Terms, a Knock-in Event, Knock-out Event, the Knock-out High Barrier or the Knock-out Low Barrier, as applicable, may occur notwithstanding such Market Disruption Event or (ii) if Disruption Consequences are specified as applicable in the applicable Final Terms, the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the relevant Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date" for the purposes of determining the occurrence of a "Valuation Date" for the purposes of determining the occurrence of a Knock-in Event or Knock-out Event.

#### 16.7 Definitions relating to Knock-in Event/Knock-out Event

Unless otherwise specified in the applicable Final Terms:

**"Knock-in Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-in Determination Period, (c) each Scheduled Custom Index Business Day in the Knock-in Determination Period, (d) each Commodity Business Day in the Knock-in Determination Period or (e) each Business Day in the Knock-in Determination Period, as specified in the applicable Final Terms;

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

**"Knock-in Event"** means:

- (i) (in respect of a single Underlying Reference) that the Level is; or
- (ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying Reference as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is, or
- (iii) (in case of a SPS Payout) the applicable Underlying Reference Value or the applicable Underlying Reference Intraday Value, as specified in the applicable Final Terms, is

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Level or, if applicable, (B) "within" the Knock-in Range Level, in each case as specified in the applicable

Final Terms (x) on a Knock-in Determination Day or (y) in respect of a Knock-in Determination Period, specified in the applicable Final Terms;

**"Knock-in Level"** means the other level, amount, number or percentage specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-in Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Custom Index Business Day (in the case of Custom Index Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Custom Index Business Day or Business Day, as the case may be;

**"Knock-in Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Custom Index Business Day (in the case of Custom Index Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Custom Index Business Day or Business Day, as the case may be;

**"Knock-in Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

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

**"Knock-out Corridor Value 1"** means the Level specified as such in the applicable Final Terms;

**"Knock-out Corridor Value 2"** means the Level specified as such in the applicable Final Terms;

**"Knock-out Determination Day"** means (a) each date, (b) each Scheduled Trading Day in the Knock-out Determination Period, (c) each Scheduled Custom Index Business Day in the Knock-out Determination Period, (d) each Custom Index Business Day in the Knock-in Determination Period or (e) each Business Day in the Knock-out Determination Period as specified in the applicable Final Terms;

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

**"Knock-out Event"** means:

- (i) if Knock-out Corridor Range is specified as applicable in the applicable Final Terms, that:

- (i) the Knock-out Corridor Value 1 in respect of the Underlying Reference is greater than or equal to the Knock-out High Barrier specified in the applicable Final Terms; and/or
- (ii) the Knock-out Corridor Value 2 in respect of the Underlying Reference is less than or equal to the Knock-out Low Barrier specified in the applicable Final Terms;
- (ii) otherwise:
  - (i) (in respect of a single Underlying Reference) that the Level is; or
  - (ii) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying References as the product of (x) the Level of such Underlying Reference and (y) the relevant Weighting is,

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-out Level or, if applicable, (B) "within" the Knock-out Range Level, in each case, as specified in the applicable Final Terms (x) on a Knock-out Determination Day or (y) in respect of a Knock-out Determination Period, as specified in the applicable Final Terms;

**"Knock-out High Barrier"** means the level, amount, number or percentage (which must be a level, amount, number or percentage greater than the Knock-out Low Barrier) specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Level"** means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Low Barrier"** means the level, amount, number or percentage (which must be a level, amount, number or percentage less than the Knock-out High Barrier) specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Knock-out Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day or Business Day, as the case may be;

**"Knock-out Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities, Debt Securities or Currency Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the

case of Custom Index Securities) or Business Day (in the case of other Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day or Business Day, as the case may be;

**"Knock-out Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

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

**"Level"** means, for the purposes of this Condition 16, (i) the "official level", "official close", "last price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms, published by the Knock in Observation Price Source or Knock-out Observation Price Source, as applicable, or (ii) if "Standard Level" is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case determined by the Calculation Agent as of the Knock-in Valuation Time or Knock-out Valuation Time on any Knock-in Determination Day or Knock-out Determination Day, as applicable, or, in the case of the "official close" level, at such time as the official close is published by the Knock-in Observation Price Source or Knock-out Observation Price Source, as applicable;

**"Relevant Adjustment Provisions"** means:

- (i) in the case of Index Securities, Index Condition 2 (Market Disruption) and Index Condition 3 (Adjustments to an Index);
- (ii) in the case of Custom Index Securities, Index Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (iii) in the case of Share Securities, Share Condition 2 (Market Disruption), Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events);
- (iv) in the case of ETI Securities, ETI Condition 2 or ETI Condition 10 (Market Disruption), ETI Condition 3 or ETI Condition 11 (Potential Adjustment Events) and ETI Condition 4 (Extraordinary ETI Events) or ETI Condition 12 (Extraordinary Events);
- (v) in the case of Debt Securities, Debt Condition 3 (Market Disruption), Debt Condition 4 (Correction of Debt Instrument Price), Debt Condition 5 (Redemption or Cancellation of a Debt Instrument) and Debt Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract);
- (vi) in the case of Commodity Securities, Commodity Condition 2 (Market Disruption) and Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks);

- (vii) in the case of Currency Securities, Currency Condition 2 (Disruption Events) and Currency Condition 3 (Consequences of a Disruption Event); and
- (viii) in the case of Futures Securities, Futures Condition 3 (Adjustments to a Future); and

"**Underlying Reference**" means, for the purposes of this Condition 16, each Index, Custom Index, Share, ETI, Interest, Debt Instruments, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant Securities relate.

## 17. TERMS APPLICABLE TO WARRANTS ONLY

Conditions 18 to 24 apply to Warrants only.

## 18. DEFINITIONS (WARRANTS)

"**Actual Exercise Date**" means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 21, the date during the Exercise Period (in the case of American Style Warrants) on which the Warrant is actually or is deemed exercised or, if Automatic Exercise is specified in the applicable Final Terms, is automatically exercised (as more fully set out in Condition 21);

"**Averaging Date**" means, in respect of an Actual Exercise Date:

- (i) in the case of Index Securities (other than Index Securities relating to a Custom Index (other than a Component Security Index) or Basket of Custom Indices (each as defined in Annex 2)), Share Securities, ETI Securities, Debt Securities or Futures Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:
  - (i) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur in respect of such Actual Exercise Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price, value or amount on the final Averaging Date with respect to that Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
  - (ii) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
  - (iii) if "**Modified Postponement**" is specified as applying in the applicable Final Terms then:
    - (A) where the Warrants are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, or Futures Securities relating to a single Future, the Averaging Date shall be the first succeeding

Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level, value or price for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below; and

- (B) where the Warrants are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the level of the Component Security Index for the Averaging Date in accordance with subparagraph (a)(ii) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the relevant level of the Component Security Index in accordance with the provisions of subparagraph (a)(ii) of the definition of "Valuation Date" below;
- (C) where the Warrants are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket or Futures Securities relating to a Basket of Futures, the Averaging Date for each Index, Share, ETI Interest or Future not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, ETI Interest or Future affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest or Future. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest or Future has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest or Future and (II) the Calculation Agent shall determine the relevant level, value, price or amount for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below; or
- (D) where the Warrants are Index Securities relating to a Basket of Component Security Indices, the Averaging Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of the Component Security Index in

accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below; or

- (ii) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply;

**"Cash Settlement Amount"** means, in relation to Cash Settled Warrants, the amount (which may never be less than zero) to which the Holder is entitled in the Settlement Currency in relation to each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, equal to the Final Payout specified in the applicable Final Terms. The Cash Settlement Amount (if any) shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, provided that:

- (i) if Rounding Convention 1 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall be calculated using a maximum of four decimal places (with 0.00005 being rounded upwards) and shall be rounded to the second decimal place (with 0.005 being rounded upwards); or
- (ii) if Rounding Convention 2 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall not be subject to rounding but Securities of the same Series held by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount in respect of such Warrants and the aggregate of such Cash Settlement Amounts will be rounded down to the nearest whole sub-unit of the Settlement Currency in such manner as the Calculation Agent shall determine,

Provided That if the product of the Final Payout is zero, no amount shall be payable in respect of the relevant Warrant (and such Warrant shall expire worthless);

**"Entitlement"** means in relation to a Physical Delivery Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Settlement Date in respect of each such Warrant or Unit, as the case may be, following payment of the Exercise Price (and any other sums payable) (including Expenses as defined in Condition 11) rounded down as provided in Condition 21.3, as determined by the Calculation Agent including any documents evidencing such Entitlement which amount will be the Entitlement Amount specified in the applicable Final Terms;

**"Exercise Business Day"** means:

- (i) in the case of Cash Settled Warrants, a day that is a Business Day; and
- (ii) in the case of Physical Delivery Warrants, a day that is a Business Day and a Scheduled Trading Day;

**"Expiration Date"** means the last day of the Exercise Period;



**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Scheduled Trading Day (in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities) or Commodity Business Day (in the case of Commodity Securities), the immediately following Scheduled Trading Day or Commodity Business Day, as applicable. The provisions contained in the definition of "Averaging Date" shall apply if any such day is a Disrupted Day or, in the case of Commodity Securities, a day on which a Market Disruption Event has occurred or is continuing, *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date" unless Observation Day Disruption Consequences is specified as not applicable in the applicable Final Terms, in which case such date will be an Observation Date notwithstanding the occurrence of a Disrupted Day and (i) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, the provisions of (a)(i)(B) or (a)(iii)(B), as applicable, of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on such Observation Date as if such Observation Date were a Valuation Date that was a Disrupted Day or (ii) in the case of Commodity Securities the provisions of Commodity Condition 3 (*Consequences of a Market Disruption Event and Disruption Fallbacks*) will apply;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Settlement Date"** means:

- (a) in relation to Cash Settled Warrants:
  - (i) (other than in respect of Commodity Securities) in relation to each Actual Exercise Date, (A) where Averaging is not specified in the applicable Final Terms, (x) the date specified in the applicable Final Terms or, if none, (y) the fifth Business Day following the Valuation Date provided that if the Warrants are Index Securities relating to a Basket of Indices, Debt Securities relating to a basket of Debt Instruments Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket or Futures Securities relating to a basket of Futures and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Indices, Shares, ETI Interests or Futures, as the case may be, being adjusted as set out in the definition of "Valuation Date" below, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any Index, Share, ETI Interests, Debt Instrument or Future, as the case may be, or (B) where Averaging is specified in the applicable Final Terms, the fifth Business Day following the last occurring Averaging Date provided that where the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket, Debt Securities relating to a basket of Debt Instruments or Futures Securities relating to a basket of Futures and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Indices, Shares, ETI Interests Debt Instrument or Futures, as the case may be, being adjusted as set out in the definition of "Averaging Date" above, the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any Index, Share, ETI Interests, Debt Securities Commodity or Commodity Index or Future, as the case may be; or
  - (ii) in respect of Commodity Securities, the date as specified in the applicable Final Terms; and

- (b) in relation to Physical Delivery Warrants, the date specified as such in the applicable Final Terms;

**"Swedish Dematerialised Warrants"** means Warrants in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System;

**"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Actual Exercise Date or another Observation Date does not or is deemed not to occur;

**"Valuation Date"** means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities (x) the Scheduled Trading Day immediately preceding the Actual Exercise Date or (y) the Actual Exercise Date (or, if such date is not a Scheduled Trading Day the first Scheduled Trading Day following such date) or the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant, as specified in the applicable Final Terms, unless in either case, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:
  - (i) where the Warrants are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument or Futures Securities relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price:
    - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
    - (B) in the case of Share Securities, ETI Securities, Debt Securities or Futures Securities, in accordance with its good faith estimate of the relevant value or price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
  - (ii) where the Warrants are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component

Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:

- (A) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and
- (B) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (iii) where the Warrants are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket comprised of ETI Interests or a Basket of ETI Interests, as the case may be, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a Basket of Futures, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument, or Future affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price using, in relation to the Affected Item, the level, value or price as applicable, determined using:
  - (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled

Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (B) in the case of a Share, ETI Interest, Debt Instrument or Future its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; and
- (iv) where the Warrants are Index Securities relating to a Basket of Component Security Indices, the Valuation Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:
  - (A) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and
  - (B) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (b) in the case of Commodity Securities, the Final Pricing Date,
- and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Valuation Time specified in the applicable Final Terms; or
- (b) if not set out in the applicable Final Terms, in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (i) for the

purposes of determining whether a Market Disruption Event has occurred (A) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (B) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or

- (c) if not set out in the applicable Final Terms, in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities, unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index or Share or ETI Interest to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

## 19. FORM OF WARRANTS

Warrants are issued in dematerialised bearer form (*au porteur*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of Warrants. Title of the Warrants will pass upon registration in the books of Euroclear France, Euroclear Netherlands or Iberclear, as the case may be.

Unless this possibility is expressly excluded in the applicable Final Terms and to the extent permitted by applicable French law, the Issuer may at any time request from the central depository identification information of Holders of Warrants in dematerialised bearer form (*au porteur*) such as the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such Holders<sup>36</sup>.

Swedish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. Lag (1998:1479) *om värdepapperscentraler och kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Warrants will not be issued in definitive form.

## 20. TYPE (WARRANTS)

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**") or European style Warrants ("**European Style Warrants**"), in the case of Cash Settled Warrants whether automatic exercise ("**Automatic Exercise**") applies to the Warrants, whether settlement shall be by way of cash payment ("**Cash Settled Warrants**") or physical delivery ("**Physical Delivery Warrants**"), whether the Warrants are call Warrants ("**Call Warrants**") or put Warrants ("**Put Warrants**"), whether the Warrants may only be exercised in units ("**Units**") and whether Averaging ("**Averaging**") will apply to the Warrants. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

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<sup>36</sup> The possibility for the Issuer of requesting from the central depository identification information of Holders of French Law Warrants in dematerialised bearer form (*au porteur*) such as the name or company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such Holders is provided by the *Ordonnance n°2014-863 du 31 juillet 2014 relative au droit des sociétés prise en application de l'article 3 de la loi n° 2014-1 du 2 janvier 2014 habilitant le Gouvernement à simplifier et sécuriser la vie des entreprises*. This *Ordonnance* was adopted on 2 August 2014.

If the Warrants are Swedish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

## **21. EXERCISE RIGHTS (WARRANTS)**

### **21.1 Exercise of Warrants**

#### **(a) American Style Warrants**

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period.

The following provisions apply to Warrants held through Euroclear France ("**Euroclear France Warrants**") , Warrants held through Euroclear Netherlands ("**Euroclear Netherlands Warrants**"), Warrants held through Iberclear ("**Iberclear Warrants**") or Warrants held through Clearstream Banking Frankfurt ("**Clearstream Frankfurt Warrants**"):

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 22, at or prior to 10.00 a.m., Luxembourg or Brussels time, as appropriate, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant shall be automatically exercised on the Expiration Date and the provisions of Condition 22.6 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. (Local Time) to the relevant Clearing System or to the relevant Account Holder, and the copy thereof is received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the relevant Clearing System or, as the case may be, the relevant Account Holder, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m. (Local Time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 22 at or prior to 10.00 a.m. (Local Time) on the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) if the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### **(b) European Style Warrants**

European Style Warrants are only exercisable on the Exercise Date.

The following provisions apply to Euroclear France Warrants, Euroclear Netherlands Warrants, Iberclear Warrants or Clearstream Frankfurt Warrants:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 22, at or prior to 10.00 a.m. (Local Time) on the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 22.6 shall apply.

(c) Swedish Dematerialised Warrants

If the Warrants are Swedish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

## **21.2 Cash Settlement**

If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its Holder, upon due exercise and subject, to receive from the Issuer on the Settlement Date the Cash Settlement Amount

If the Cash Settlement Amount is not an amount in the Settlement Currency, it will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms for the purposes of determining the Cash Settlement Amount. If Aggregation is specified as applicable in the applicable Final Terms Warrants exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be.

## **21.3 Physical Settlement**

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, to receive from the Issuer on the Settlement Date the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms.

If Aggregation is specified as applicable in the applicable Final Terms, Warrants or Units, as the case may be, exercised at the same time by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, and a cash adjustment will be made in respect thereof.

Following exercise of a Share Security which is a Physical Delivery Warrant, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Exercise Notice as referred to in Condition 22.

Commodity Securities shall not be Physical Delivery Warrants.

## **21.4 General**

In relation to any Cash Settled Warrants where Automatic Exercise is specified as applying in the applicable Final Terms, the expressions "**exercise**", "**due exercise**" and related expressions shall be construed to apply to any such Cash Settled Warrants which are automatically exercised in accordance with the above provisions.

All references in this Condition to "**Luxembourg or Brussels time**" shall, where Warrants are cleared through an additional or alternative clearing system, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

## **21.5 Payments on cancellation of Warrants**

### **(a) Highest Value**

If "**Highest Value**" is specified as applicable in the applicable Final Terms, the greater of the fair market value or, as the case may be, Settled Amount, of a Security or Unit, as the case may be, (notwithstanding any illegality (if applicable) and taking into account any Index Adjustment Event, Custom Index Adjustment Event, Non-Commencement or Discontinuance of an Exchange-traded Contract, Extraordinary Event, Commodity Index Adjustment Event, Market Disruption Event, Index Cancellation, or Futures Adjustment Event, as the case may be) and the Protected Amount specified in the applicable Final Terms or, as the case may be, proportionate share of such Protected Amount, provided that, (x) no costs shall be deducted from such amount and (y) such amount shall include the reimbursement by the Issuer, pro rata (calculated from the date of cancellation or, as the case may be, partial cancellation date, notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, of the Securities), of any costs or, as the case may be, proportionate share of such costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Issue Price of the Securities, such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation or, as the case may be, notice of partial cancellation.

### **(b) Market Value**

If "**Market Value**" is specified as applicable in the applicable Final Terms, the fair market value or, as the case may be, Settled Amount, of a Security or Unit, as the case may be, (notwithstanding the illegality (if applicable) and taking into account any Index Adjustment Event, Custom Index Adjustment Event, Non-Commencement or Discontinuance of an Exchange-traded Contract, Extraordinary Event, Commodity Index Adjustment Event, Market Disruption Event, Index Cancellation, or Futures Adjustment Event, as applicable), calculated (x) without taking account of any costs and no costs shall be deducted from such amount and (y) including the reimbursement by the Issuer, pro rata (calculated from the date of cancellation or, as the case may be, partial cancellation date, notified to the Holders until the Exercise Date or the Expiration Date, as the case may be, of the Securities), of any costs or, as the case may be, proportionate share of such costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Issue Price of the Securities, such an amount to be paid to the Holders on the date notified in the notice of cancellation or, as the case may be, notice of partial redemption.

## **22. EXERCISE PROCEDURE (WARRANTS)**

### **22.1 Exercise Notice in respect of Warrants**

Subject as provided in Condition 22.6, Warrants may only be exercised by the delivery, or the sending by fax, of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement, as amended or supplemented from time to time, (copies of which form may be obtained from the relevant Clearing System or the relevant Account Holder (in the case of Euroclear France Warrants, Euroclear Netherlands Warrants, Iberclear Warrants or Clearstream Frankfurt Warrants) and the relevant Security Agents during normal office hours) to the relevant Clearing System or, as the case



may be, the relevant Account Holder, with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 21 and this Condition.

(a) In the case of Cash Settled Warrants, the Exercise Notice shall:

- (i) specify the Series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) specify the number of the Holder's securities account at the relevant Account Holder to be debited with the Warrants;
- (iii) irrevocably instruct the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised;
- (iv) specify the number of the Holder's account at the relevant Account Holder to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (v) include an undertaking to pay all Security Expenses, and an authority to the relevant Account Holder to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder at the relevant Clearing System or as the case may be, the relevant Account Holder; and
- (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement (as amended or supplemented from time to time).

(b) In the case of Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) specify the number of the Holder's securities account at the relevant Account Holder to be debited with the Warrants being exercised;
- (iii) irrevocably instruct the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or Units, as the case may be, being exercised;
- (iv) irrevocably instruct the relevant Account Holder to debit on the Actual Exercise Date a specified account of the Holder with such Account Holder with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable);
- (v) include an undertaking to pay all Security Expenses and an authority to the relevant Account Holder to debit a specified account of the Holder at the relevant Account Holder in respect thereof and to pay such Security Expenses;
- (vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any

bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Holder's account with the relevant Account Holder to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount;

- (vii) in the case of Currency Securities only, specify the number of the Holder's account at the relevant Account Holder to be credited with the amount due upon exercise of the Warrants or Units, as the case may be; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement (as amended or supplemented from time to time).

- (c) If Condition 5.3(b) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from the relevant Account Holder and the Security Agents during normal office hours.

If Condition 5.3(b) applies, Holders will be required to deliver an Exercise Notice specifying appropriate information relating to the settlement of Cash Settled Warrants.

## **22.2 Verification of the Holder**

Upon receipt of an Exercise Notice, the relevant Account Holder shall verify that the person exercising the Warrants is the holder thereof according to the accounts of the relevant Account Holders. Subject thereto, the relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Security Agent the series number and the number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. The relevant Account Holder will on or before the Settlement Date debit the securities account of the relevant Holder with the Warrants being exercised.

## **22.3 Settlement**

- (a) Cash Settled Warrants

If the Warrants other than Swedish Dematerialised Warrants are Cash Settled Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the Holder's account specified in the relevant Exercise Notice for value on the Settlement Date less any Security Expenses.

If the Warrants are Swedish Dematerialised Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by Euroclear Sweden on the fourth Business Day immediately prior to the Settlement Date (the "**Swedish Record Date**"). The Security Agent will on the Settlement Date pay the Cash

Settlement Amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date.

(b) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Prices and payment of any Security Expenses with regard to the relevant Warrants or Units, as the case may be, the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice. Subject as provided in Condition 21.3, the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

## **22.4 Determinations**

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the relevant Account Holder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Security Agent or the Issuer, as the case may be, immediately after being delivered or sent to the relevant Account Holder as provided in Condition 22.1 above shall be null and void. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor (if applicable) shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

If such Exercise Notice is subsequently corrected to the satisfaction of the relevant Account Holder, in consultation with the Principal Security Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the relevant Account Holder and the Principal Security Agent or the Issuer, as the case may be.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any Warrant with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Condition 21.1(a), in the case of American Style Warrants, or Condition 21.1(b), in the case of European Style Warrants, shall become void.

The relevant Account Holder shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with the Principal Security Agent or the Issuer, as the case may be, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor (if applicable), the Security Agents, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

## **22.5 Delivery of an Exercise Notice**

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Holder may not transfer such Warrants.

## **22.6 Automatic Exercise**

- (a) This Condition only applies if the Warrants are Cash Settled Warrants which are not Swedish Dematerialised Warrants for which Automatic Exercise is specified as applying in the

applicable Final Terms and Warrants are automatically exercised as provided in Condition 21.1(a) or Condition 21.1(b).

- (b) No Exercise Notice is required to be submitted or any other action required to be taken by any relevant Holder of a Warrant in order to receive the Cash Settlement Amount in respect of such Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be. The Issuer shall transfer or cause to be transferred to each Clearing System through which such Warrants are held an amount equal to the aggregate of the Cash Settlement Amounts in respect of the Warrants held in each such Clearing System and each such Clearing System shall, subject to having received such aggregate Cash Settlement Amount, on the Settlement Date credit the account of each Holder of such Warrant(s) in its books with an amount equal to the aggregate Cash Settlement Amount relating to the Warrant(s) held by such Holder and on or before the Settlement Date debit such account with the number of Warrants exercised and in respect of which such Cash Settlement Amount is being paid. Neither the Issuer nor the Guarantor (if applicable) shall have any responsibility for the crediting by the relevant Clearing System of any such amounts to any such accounts.

## 22.7 Exercise Risk

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer, the Guarantor (if applicable) or the Security Agents shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, the Guarantor (if applicable), or the Agents shall, to the extent permitted by applicable law, under any circumstances be liable for any acts or defaults of the relevant Clearing System or, as the case may be, the relevant Account Holder in relation to the performance of its duties in relation to the Warrants.

## 22.8 Automatic Early Expiration

- (a) If "Automatic Early Expiration" is specified as applicable in the applicable Final Terms, then unless previously exercised or cancelled, if on (i) any Automatic Early Expiration Valuation Date (the "**Relevant Automatic Early Expiration Valuation Date**") or (ii) in respect of an Automatic Early Expiration Valuation Period, as specified in the applicable Final Terms, an Automatic Early Expiration Event occurs, then the Warrants will be automatically cancelled in whole, but not in part, on the relevant Automatic Early Expiration Date and the amount (if any) payable on the Automatic Early Expiration Settlement Date by the Issuer upon cancellation shall be equal to the relevant Automatic Early Expiration Payout Amount.

- (b) Definitions relating to Automatic Early Expiration

"**AER Knock-out**" means the occurrence (such date of occurrence the **AER Knock-out Date**) of a Knock-out Event and/or a Knock-in Event as specified in the applicable Final Terms;

"**Automatic Early Expiration Date**" means the Relevant Automatic Early Expiration Valuation Date or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

"**Automatic Early Expiration Event**" means (i) if AER Knock-out is specified as applicable, an AER Knock-out occurs or (ii) if AER Knock-out is specified as not applicable (x) in the case of a single Underlying Reference, the Underlying Reference Level or (y) in the case of a Basket of Underlying References, the Basket Price is in each case, (A) "greater than", (B) "greater than or equal to", (C) "less

than" or (D) "less than or equal to" the Automatic Early Expiration Level as specified in the applicable Final Terms;

**"Automatic Early Expiration Level"** means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

**"Automatic Early Expiration Payout Amount"** means an amount in the Settlement Currency equal to the Automatic Early Redemption Payout set out in the applicable Final Terms, provided that if the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on cancellation of the Warrant pursuant to this Condition and such Warrant shall expire worthless;

**"Automatic Early Expiration Settlement Date"** means the date specified as such in the applicable Final Terms;

**"Automatic Early Expiration Valuation Time"** means the time specified as such in the applicable Final Terms;

**"Automatic Early Expiration Valuation Date"** means (i) the AER Knock-out Date or (ii) each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, Debt Securities or ETI Securities, a Custom Index Business Day (in the case of Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Custom Index Business Day, Commodity Business Day or Business Day, as applicable, unless in the case of Index Securities, Share Securities, Debt Securities, ETI Securities or Commodity Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in respect of Index Securities (other than Custom Index Securities), Share Securities, Debt Securities or ETI Securities), a Custom Index Disruption event is occurring on such day (in respect of Custom Index Securities) or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Custom Index Disruption event is occurring or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Expiration Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Expiration Valuation Date";

**"Basket of Underlying References"** means, for the purposes of this Condition 22.8, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Debt Instruments, Basket of Commodities, Basket of Commodity Indices, Basket of Futures or other basis of reference to which the value of the relevant Securities may relate, as specified in the applicable Final Terms;

**"Basket Price"** means, in respect of any Automatic Early Expiration Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Underlying Reference as the product of (a) the Underlying Reference Level of such Underlying Reference on such Automatic Early Expiration Valuation Date and (b) the relevant Weighting;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Relevant Adjustment Provisions"** means:

- (i) in the case of Index Securities, Index Condition 2 (Market Disruption) and Index Condition 3 (Adjustments to an Index);
- (ii) in the case of Custom Index Securities, Index Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);
- (iii) in the case of Share Securities, Share Condition 2 (Market Disruption), Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events);
- (iv) in the case of ETI Securities, ETI Condition 2 (Market Disruption) and ETI Condition 3 (Potential Adjustment Events);
- (v) in the case of Debt Securities, Debt Condition 3 (Market Disruption), Debt Condition 4 (Correction of Debt Instrument Price), Debt Condition 5 (Redemption or Cancellation of a Debt Instrument) and Debt Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract);
- (vi) in the case of Commodity Securities, Commodity Condition 2 (Market Disruption), Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Condition 4 (Adjustments to a Commodity Index);
- (vii) in the case of Currency Securities, Currency Condition 3 (Consequences of a Disruption Event); and
- (viii) in the case of Futures Securities, Futures Condition 3 (Adjustments to a Future);

**"Underlying Reference"** means, for the purposes of this Condition 22.8 each Index, Custom Index, Share, ETI Interest, Debt Instrument, Commodity, Commodity Index, Subject Currency, Future, or other basis of reference to which the relevant Securities relate; and

**"Underlying Reference Level"** means, in respect of any Automatic Early Expiration Valuation Date, (i) "official level", "official close", "last price", "bid price", or "asked price" of the Underlying Reference, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case, as determined by the Calculation Agent as of the Automatic Early Expiration Valuation Time on such Automatic Early Expiration Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Expiration Valuation Date as the "official close" level is published by the Observation Price Source.

## **22.9 AER Rate Determination**

Where the applicable Final Terms specify that the AER Rate is determined by reference to a Screen Rate, the provisions of Condition 29.6 will apply.

## **23. MINIMUM AND MAXIMUM NUMBER OF WARRANTS EXERCISABLE**

### **23.1 American Style Warrants**

This Condition 23.1 applies only to American Style Warrants.

- (a) The number of Warrants exercisable by any Holder on any Actual Exercise Date or, in the case of Automatic Exercise, the number of Warrants held by any Holder on any Actual Exercise Date, in each case as determined by the Issuer, must not be less than the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.
- (b) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Holder or a group of Holders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "Quota"), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Exercise Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants are exercised on the same day by Holder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

### **23.2 European Style Warrants**

This Condition 23.2 applies only to European Style Warrants.

The number of Warrants exercisable by any Holder on the Exercise Date, as determined by the Issuer, must be equal to the Minimum Exercise Number specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

## **24. TERMS APPLICABLE TO CERTIFICATES ONLY**

Conditions 25 to 31 apply to Certificates only.

## **25. DEFINITIONS**

"Averaging Date" means:

- (i) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 2)), Share Securities, ETI Securities, Debt Securities or Futures Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (i) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (ii) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price, value or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (iii) if "**Modified Postponement**" is specified as applying in the applicable Final Terms, then:
  - (A) where the Certificates are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, or Futures Securities relating to single Future, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level, value or price for that Averaging Date in accordance with subparagraph (a)(i) of the definition of "Valuation Date" below; and
  - (B) where the Certificates are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the level of the Component Security Index for the Averaging Date in accordance with subparagraph (a)(ii) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of subparagraph (a)(ii) of the definition of "Valuation Date" below;
  - (C) where the Certificates are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to an ETI Basket or Futures Securities relating to a Basket of Futures, the Averaging Date for each Index, Share, ETI Interest or Future not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, ETI Interest or Future affected by the occurrence of a Disrupted Day



shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest or Future. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest or Future has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest or Future, and (II) the Calculation Agent shall determine the relevant level, price, value or amount for that Averaging Date in accordance with subparagraph (a)(ii) of the definition of "Valuation Date" below; or

- (D) where the Certificates are Index Securities relating to a Basket of Component Security Indices, the Averaging Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Date, and for each Component Security Index affected (an "Affected Item") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below and the Averaging Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the provisions of sub-paragraph (a)(iv) of the definition of "Valuation Date" below; or
- (ii) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent, any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply; or
- (iii) in the case of Open End Certificates, the date designated as such by the Issuer acting in good faith, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Business Day preceding the contemplated Averaging Date;

**"Calculation Period"** means each Interest Period, AER Calculation Period, FR Calculation Period, Call Calculation Period or Put Calculation Period, as applicable;

**"Cash Settlement Amount"** means, in relation to Cash Settled Certificates, the amount (which may never be less than zero) to which the Holder is entitled in the Settlement Currency in relation to each such Certificate equal to the Final Payout specified in the applicable Final Terms.

The Cash Settlement Amount (if any) shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, provided that if Rounding Convention 2 is specified as applicable in the applicable Final Terms, the Cash Settlement Amount shall not be subject to rounding but Securities of the same Series held by the same Holder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount in respect of such Certificates and the aggregate of such Cash

Settlement Amounts will be rounded down to the nearest whole sub-unit of the Settlement Currency in such manner as the Calculation Agent shall determine,

provided that if the product of the Final Payout is zero, no amount shall be payable in respect of the relevant Certificate;

**"Cut-off Date"** means the date specified as such in the applicable Final Terms or if not so set out in respect of Physical Delivery Certificates, the third Business Day immediately preceding the Redemption Date;

**"Entitlement"** means in relation to a Physical Delivery Certificate, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Redemption Date in respect of each such Certificate following payment of any sums payable (including Expenses as defined in Condition 11 rounded down as provided in Condition 30.2(d) as determined by the Calculation Agent including any documents evidencing such Entitlement which amount will be the Entitlement Amount specified in the applicable Final Terms;

**"Observation Date"** means:

- (i) in the case of Certificates other than Open End Certificates, each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Scheduled Trading Day (in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities) or Commodity Business Day (in the case of Commodity Securities), the immediately following Scheduled Trading Day or Commodity Business Day, as applicable. The provisions contained in the definition of "Averaging Date" shall apply if any such day is a Disrupted Day or, in the case of Commodity Securities, a day on which a Market Disruption Event has occurred or is continuing, *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date" unless Observation Day Disruption Consequences is specified as not applicable in the applicable Final Terms, in which case such date will be an Observation Date notwithstanding the occurrence of a Disrupted Day and (i) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, the provisions of (a)(i)(B) or (a)(iii)(B), as applicable, of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on such Observation Date as if such Observation Date were a Valuation Date that was a Disrupted Day or (ii) in the case of Commodity Securities the provisions of Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) will apply; and
- (ii) in the case of Open End Certificates, the date designated as such by the Issuer acting in good faith, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Business Day preceding the contemplated Observation Date;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Open End Certificate"** means a Certificate in respect of which "Open End" is specified as applicable in the relevant Final Terms and which may be redeemed on a date determined by the Issuer in good faith, subject to the other provisions of these Terms and Conditions;

**"Reference Banks"** means the five major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the relevant rate (which, if EURIBOR is the relevant rate, shall be the euro-zone);

**"Reference Rate Fallback Event"** means, in relation to any Screen Page Reference Rate or AER Reference Rate, as applicable, any of the following, as determined by the Calculation Agent:

- (i) the Screen Page Reference Rate or AER Reference Rate, as applicable, ceasing to exist or ceasing to be published for a period of at least six (6) consecutive Business Days or having been permanently or indefinitely discontinued;
- (ii) the making of a public statement or publication of information (provided that, at the time of any such event, there is no successor administrator that will provide the Screen Page Reference Rate) by or on behalf of (i) the administrator of the Screen Page Reference Rate or AER Reference Rate, as applicable, or (ii) the supervisor, insolvency official, resolution authority, central bank or competent court having jurisdiction over such administrator stating that (x) the administrator has ceased or will cease permanently or indefinitely to provide the Screen Page Reference Rate or AER Reference Rate, as applicable, (y) the Screen Page Reference Rate or AER Reference Rate, as applicable, has been or will be permanently or indefinitely discontinued, or (z) the Screen Page Reference Rate or AER Reference Rate, as applicable, has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences, either generally, or in respect of the Securities, provided that, if such public statement or publication mentions that the event or circumstance referred to in (x), (y) or (z) above will occur on a date falling later than three (3) months after the relevant public statement or publication, the Reference Rate Fallback Event shall be deemed to occur on the date falling three (3) months prior to such specified date (and not the date of the relevant public statement);
- (iii) it has or will prior to the next Interest Determination Date (as applicable), become unlawful for the Calculation Agent or any other party responsible for determining the Screen Page Reference Rate or AER Reference Rate, as applicable, to calculate any payments due to be made to any Holder using the Screen Page Reference Rate or AER Reference Rate, as applicable (including, without limitation, under BMR, if applicable); or
- (iv) the making of a public statement or publication of information that any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Screen Page Reference Rate or AER Reference Rate, as applicable, or the administrator of the Screen Page Reference Rate or AER Reference Rate, as applicable, has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the use of the Screen Page Reference Rate or AER Reference Rate, as applicable, is not or will not be permitted under any applicable law or regulation, such that the Calculation Agent or any other party responsible for determining the Screen Page Reference Rate or AER Reference Rate, as applicable, is unable to perform its obligations in respect of the Securities.

A change in the methodology of the Screen Page Reference Rate or AER Reference Rate, as applicable, shall not, absent the occurrence of one of the above, be deemed a Reference Rate Fallback Event.

**"Swedish Dematerialised Certificates"** means Certificates in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System;

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

**"Valuation Date"** means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities or Futures Securities, unless otherwise specified in the applicable Final Terms, the Interest Valuation Date and/or the Redemption Valuation Date (subject to paragraph (b) below in respect of Open End Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:
  - (i) where the Certificates are Index Securities relating to a single Index (other than a Component Security Index), Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument, Futures Securities relating to a single Future, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the relevant value, level or price:
    - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
    - (B) in the case of Share Securities, ETI Securities, Debt Securities or Futures Securities, in accordance with its good faith estimate of the relevant value, level or price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
  - (ii) where the Certificates are Index Securities relating to a single Component Security Index, the Calculation Agent shall determine the relevant level for such Component Security Index using the formula for and method of calculating such Component Security Index last in effect prior to the occurrence of the first Disrupted Day using:

- (A) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and
- (B) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (iii) where the Certificates are Index Securities relating to a Basket of Indices (other than a Basket of Component Security Indices), Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket comprised of ETI Interests, Debt Securities relating to a Basket of Debt Instruments or Futures Securities relating to a basket of Futures, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument or Future affected, as the case may be, (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant value, level or price using, in relation to the Affected Item, the level or value as applicable, determined using:
  - (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on

that last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (B) in the case of a Share, ETI Interest Debt Instrument or Future, its good faith estimate of the value for the Affected Item as of the Valuation Time on that last such consecutive Scheduled Trading Day, and
- (iv) where the Certificates are Index Securities relating to a Basket of Component Security Indices, the Valuation Date for each Component Security Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and for each Component Security Index affected (an "**Affected Item**") by the occurrence of a Disrupted Day, the Calculation Agent shall determine the level of that Component Security Index using the formula for and method of calculating that Component Security Index last in effect prior to the occurrence of the first Disrupted Day, using:
  - (A) in respect of each Component Security not affected by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price of such Component Security as of the Valuation Time on the Scheduled Valuation Date; and
  - (B) in respect of each Component Security affected (each, an "**Affected Component Security**") by a Market Disruption Event on the Scheduled Valuation Date, the exchange traded or quoted price for each Affected Component Security on the first succeeding Scheduled Trading Day on which no Market Disruption Event occurs or is continuing with respect to the Affected Component Security, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a day on which a Market Disruption Event occurs or is continuing with respect to the Affected Component Security, in which case, the Calculation Agent shall determine the value, amount, level or price of such Affected Component Security using its good faith estimate of the value, amount, level or price of the relevant Affected Component Security as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

the Valuation Date shall be deemed to be the earliest date on which the Calculation Agent determines the level of the Component Security Index in accordance with the above provisions; or

- (b) in the case of Open End Certificates and for the purposes of the "Provisions relating to Valuation on Redemption" set out in the applicable Final Terms, the date designated as the Redemption Valuation Date by the Issuer acting in good faith, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 13 at the latest on the tenth (10th) Business Day preceding the contemplated Redemption Valuation Date; and
  - (c) in the case of Commodity Securities, the Final Pricing Date,
- and otherwise in accordance with the above provisions; and

"Valuation Time" means:

- (i) the Interest Valuation Time or the Valuation Time, as the case may be, specified in the applicable Final Terms; or
- (ii) (i) in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (A) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (y) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (B) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or
- (ii) in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index or Share to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Interest Valuation Time or Valuation Time, as the case may be, is after the actual closing time for its regular trading session, then the Interest Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time.

## 26. FORM OF CERTIFICATES

Certificates are issued in dematerialised bearer form (*au porteur*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of Certificates. Title will pass upon registration of the transfer in the books of Euroclear France Euroclear Netherlands or Iberclear, as the case may be.

Unless this possibility is expressly excluded in the applicable Final Terms and to the extent permitted by applicable French law, the Issuer may at any time request from the central depository identification information of Holders of Certificates in dematerialised bearer form (*au porteur*) such as the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such Holders.<sup>37</sup>

Swedish Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw.: Lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Certificates will not be issued in definitive form.

## 27. TYPE (CERTIFICATES)

The applicable Final Terms will indicate whether settlement shall be by way of cash payment ("**Cash Settled Certificates**") or physical delivery ("**Physical Delivery Certificates**"), whether Cash Settled Certificates are redeemable in instalments and whether Averaging ("**Averaging**") will apply to the

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The possibility for the Issuer of requesting from the central depository identification information of Holders of Certificates in dematerialised bearer form (*au porteur*) such as the name or company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such Holders is provided by the *Ordonnance n°2014-863 du 31 juillet 2014 relative au droit des sociétés prise en application de l'article 3 de la loi n° 2014-1 du 2 janvier 2014 habilitant le Gouvernement à simplifier et sécuriser la vie des entreprises*. This *Ordonnance* was adopted on 2 August 2014.

Certificates. If so specified in the applicable Final Terms, interest shall be payable in respect of the Certificates.

If the Certificates are Swedish Dematerialised Certificates, they will be Cash Settled Certificates.

The applicable Final Terms will indicate if the Certificates are exercisable, if so whether Multiple Exercise applies and the relevant Exercise Date(s).

## 28. INTEREST (CERTIFICATES)

If so specified in the applicable Final Terms the Certificates will pay interest, such interest to be calculated on the basis of a fixed rate of interest ("**Fixed Rate Certificates**"), a floating rate of interest ("**Floating Rate Certificates**") or by reference to the performance of one or more Index, Share, ETI Interest, Debt Instrument, Commodity, Currency, Futures or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Interest Certificates**");

### (a) Interest on Fixed Rate Certificates

Each Fixed Rate Certificate pays interest calculated from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will accrue in respect of each Interest Period (which expressions shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment date falls after the Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date. If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (i) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (ii) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (i) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (ii) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (iii) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

If no Business Day Convention is specified as applicable to an Interest Period End Date in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in



respect of the Interest Period ending on (but excluding) the Interest Period End Final Date in respect of such Interest Period will amount to the Fixed Coupon Amount.

Interest shall be calculated by applying the Rate of Interest to the Notional Amount of each Certificate and if a Day Count Fraction is specified in the applicable Final Terms multiplying such sum by the applicable Day Count Fraction. The resultant figure shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

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

(b) Interest on Floating Rate Certificates and Linked Interest Certificates

(i) Interest, Interest Periods and Business Day Convention

Each Floating Rate Certificate and, subject to the provisions of Condition 28(c), each Linked Interest Certificate pays interest in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 28(b), "**Interest Period End Date**" shall mean either: (A) the Interest Period End Date(s) in each year specified in the applicable Final Terms or (B) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment Date falls after an Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date.

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (I) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (II) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with (b)(i) above, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (i) in the case of (I) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (II) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A)

such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or

- (B) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

(ii) ISDA Determination

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

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (I) if the applicable Floating Rate Option is based on the London interbank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**") (or, in the event that EURIBOR or LIBOR has been discontinued, such other successor benchmark rate as the financial industry shall have accepted as a successor or substitute rate for EURIBOR or LIBOR for a currency, as applicable), the first day of that Interest Period or (II) in any other case, as specified in the applicable Final Terms.

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

(iii) FBF Determination

Where so specified in the applicable Final Terms, interest will be payable on such dates, at such a rate (the "**FBF Rate**") and in such amounts, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master Agreement relating to foreign exchange and derivatives transactions (an "**FBF Agreement**"), as in effect on the date of issue of the Certificates, published by the *Fédération Bancaire Française* and evidenced by a Confirmation (as defined in the FBF Agreement) with the holder of the relevant Certificate under which:

- (A) the Issuer was the Floating Amount Payer;
- (B) the Principal Security Agent (as defined herein) was the Agent (as defined in the FBF Agreement) or as otherwise specified in the applicable Final Terms;
- (C) the Interest Commencement Date was the Transaction Date;
- (D) the Notional Amount in respect of a Certificate was the Notional Amount;
- (E) the Interest Payment Dates were the Floating Amount Payment Dates; and
- (F) all other terms were as specified in the applicable Final Terms.

When the preceding sentence applies, in respect of each relevant Interest Payment Date:

- I. the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under subparagraph (v) below;
- II. the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the FBF Agreement) determined by the Principal Security Agent in accordance with the preceding sentence; and
- III. the Calculation Agent will be deemed to have discharged its obligations under subparagraph (v) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(iv) Screen Rate Determination

- (A) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest or Rate is to be determined, such Rate of Interest or Rate, as the case may be, for each Interest Period will, subject as provided below, be either:

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

(expressed as a percentage rate *per annum*) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) (the "**Screen Page Reference Rate**") on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of subparagraph (A) I., no offered quotation appears on the Relevant Screen Page (or such replacement page on that service which displays the information) or, in the case of subparagraph (A)II., fewer than three offered quotations appear on the Relevant Screen Page (or such replacement page on that service which displays the information), in each case as at the Specified Time, except as provided in paragraph (C) below, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Reference Rate at the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest or Rate, as the case may be, for the Interest Period shall be the arithmetic mean (rounded if necessary to the nearest 0.001 with 0.0005 being rounded upwards) of the relevant quotations, eliminating the highest quotation (or in the event that two or more quotations are identical, one of the highest) and the lowest (or in the event that two or more quotations are identical, one of the lowest), plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest or Rate, as the case may be, for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest 0.001, with 0.0005 being rounded upwards) of the rates *per annum*, as communicated to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at the Specified Time on the relevant Interest Determination Date,

deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the inter-bank market plus or minus (as appropriate) the Margin (if any).

If fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the Rate of Interest or Rate, as the case may be, for the relevant Interest Period shall be the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, at the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the Reference Rate (which will be the London inter-bank market, if the Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the Reference Rate is EURIBOR), plus or minus (as appropriate) the Margin (if any), as determined by the Calculation Agent.

- (B) If the Rate of Interest or Rate, as the case may be, cannot be determined in accordance with the provisions of paragraph (A), the Rate of Interest or Rate, as the case may be, shall be equal to the last Reference Rate available on the Relevant Screen Page, plus or minus (as appropriate) the Margin (if any), as determined by the Calculation Agent, except that if the Calculation Agent determines that the absence of the quotation is due to the discontinuation of the Screen Page Reference Rate or the occurrence of a Reference Rate Fallback Event, then the Reference Rate will be determined in accordance with paragraph (C) below.
- (C) If the Calculation Agent determines at any time prior to any Interest Determination Date, that the Screen Page Reference Rate has been discontinued or a Reference Rate Fallback Event has occurred, the Calculation Agent will use, as a substitute for the Screen Page Reference Rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction or region of the currency of the relevant rate (each a "**Relevant Nominating Body**") that is consistent with industry accepted standards, provided that if the Calculation Agent notifies the Issuer that it is unable to determine such alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable Interest Determination Date) appoint an agent (the "**Reference Rate Determination Agent**"), which will determine whether a substitute or successor rate, which is substantially comparable to the Screen Page Reference Rate, is available for the purpose of determining the Reference Rate on each Interest Determination Date falling on or after the date of such determination. If the Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Reference Rate Determination Agent will notify the Issuer of such

successor rate to be used by the Calculation Agent to determine the Rate of Interest.

If the Reference Rate Determination Agent or the Calculation Agent, as applicable, has determined a substitute or successor rate in accordance with the foregoing paragraph (such rate, the "**Replacement Reference Rate**"), for the purpose of determining the Reference Rate on each Interest Determination Date falling on or after such determination:

- I. the Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the applicable Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Reference Rate, including any adjustment needed to make such Replacement Reference Rate comparable to the Screen Page Reference Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement Reference Rate;
- II. references to the Reference Rate in these Conditions will be deemed to be references to the relevant Replacement Reference Rate, including any alternative method for determining such rate as described in (I) above;
- III. the Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement Reference Rate, and the details described in I. above, as soon as reasonably practicable; and
- IV. the Issuer will give notice to the Holders in accordance with Condition 10, the Principal Security Agent and the Calculation Agent of the Replacement Reference Rate, and the details described in (I) above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable Interest Determination Date.

If the Reference Rate Determination Agent determines that the Reference Rate has been discontinued but for any reason a Replacement Reference Rate has not been determined, the Reference Rate will be equal to the last Reference Rate available on the Relevant Screen Page as defined above.

The determination of the Replacement Reference Rate and the other matters referred to above by the Reference Rate Determination Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Principal Security Agent and the Holders, unless the Issuer, the Calculation Agent or the Reference Rate Determination Agent determines at a later date that the Replacement Reference Rate is no longer substantially comparable to the Reference Rate or does not constitute an industry accepted successor rate, in which case the Calculation Agent shall appoint or re-appoint a Reference

Rate Determination Agent, as the case may be (which may or may not be the same entity as the original Reference Rate Determination Agent or the Calculation Agent) for the purpose of confirming the Replacement Reference Rate or determining a substitute Replacement Reference Rate in an identical manner as described in this paragraph (C). If the replacement Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a substitute Replacement Reference Rate, then the Replacement Reference Rate will remain unchanged.

The Reference Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the relevant rate as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable) or (z) an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent, provided that such person shall, if required by any applicable laws, possess any licence required for such activity.

If the relevant Reference Rate Fallback Event may also constitute an Administrator/Benchmark Event in the determination of the Calculation Agent pursuant to Condition 15.1, the provisions of this Condition 28(b)(iv)(B) will apply.

(v) Determination of Rate of Interest and Calculation of Interest Amount

In the case of Floating Rate Certificates and Linked Interest Certificates the Calculation Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. In the case of Floating Rate Certificates and Linked Interest Certificates, the Calculation Agent will notify the Principal Security Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on each Certificate for the relevant Interest Period by applying the Rate of Interest to the Notional Amount of such Certificate and multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(vi) Minimum and/or Maximum Interest Rate

If the applicable Final Terms specifies a Minimum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of subparagraphs (i), (ii), (iii) or (iv) above (as appropriate) is less than such Minimum Interest Rate, the Rate of Interest for such Interest Period shall be such Minimum Interest Rate.

If the applicable Final Terms specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period

determined in accordance with the provisions of subparagraphs (i), (ii), (iii) or (iv) above (as appropriate) is greater than such Maximum Interest Rate, the Rate of Interest for such Interest Period shall be such Maximum Interest Rate.

(vii) Notification of Rate of Interest and Interest Amount

The Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Principal Security Agent, the Issuer and the Guarantor (such notifications to occur no later than the Business Day following such determination), and (in the case of Certificates which are listed on Euronext Paris and the rules of such stock exchange so require) Euronext Paris and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 10 as soon as possible after their determination but in no event later than the fourth Paris Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Certificates are for the time being listed and to the Holders in accordance with Condition 10. For the purposes of the Terms and Conditions, the expression "**Paris Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Paris. The determination of each Interest Rate and Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) Day Count Fractions

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Calculation Period if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

- (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
- (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and



- (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates that would occur in one calendar year;

**"Determination Date(s)"** means the date(s) specified in the applicable Final Terms;

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

- (i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if "Actual/365 (sterling)" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of a Calculation Period ending in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (A) that day is the last day of February but not the redemption date or (B) such number would be 31, in which case D<sub>2</sub> will be 30.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant Day Count Fraction is "unadjusted", the Calculation Period and the Interest Amount payable on any date shall not, unless otherwise provided in the application Final Terms, be affected by the application of any Business Day Convention.

(d) Interest on Linked Interest Certificates

In the case of Linked Interest Certificates the Rate of Interest shall be determined in the manner specified in the applicable Final Terms in accordance with the applicable Additional Terms and Conditions.

(e) Accrual of Interest

Each Certificate (or in the case of the redemption of part only of a Certificate, that part only of such Certificate) will cease to bear interest (if any) from the date for its redemption or exercise, as the case may be, unless such Certificate is redeemed early. If such Certificate is redeemed early, (i) if the applicable Final Terms specify that Accrual to Redemption is applicable, interest will cease to accrue on the due date for redemption or (ii) if the applicable Final Terms specify that Accrual to Redemption is not applicable, no interest shall accrue or be payable in respect of which the relevant payment date has not occurred on or prior to the due date for redemption of such Certificate, unless in either case payment of principal and/or delivery of all assets deliverable is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Certificate have been paid and/or all assets deliverable in respect of such Certificate have been delivered; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Certificate has been received by the Principal Security Agent and/or all assets in respect of such Certificate have been received by any agent appointed by the Issuer to deliver such assets to Holders and notice to that effect has been given to the Holders in accordance with Condition 10.

## **29. REDEMPTION (CERTIFICATES)**

### **29.1 General**

Subject as provided in these Terms and Conditions and each Certificate will be redeemed by the Issuer:

- (a) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount;
- (b) in the case of a Physical Delivery Certificate, subject as provided in Condition 5 and Condition 30, by delivery of the Entitlement; or

- (c) in the case of Certificates which may either be Cash Settled Certificates or Physical Delivery Certificates, depending on whether certain conditions are met, either (i) by payment of the Cash Settlement Amount or (ii) subject as provided in Condition 5 and Condition 30, by delivery of the Entitlement,

such redemption to occur in either case, subject as provided below, on the date falling on the fifth Business Day following the Valuation Date, unless specified otherwise in the applicable Final Terms (the "**Redemption Date**"). If (i) the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any further payment in respect of such delay or (ii) the date for delivery of any Entitlement in respect of the Certificates is not a Settlement Business Day (as defined in Condition 5.1 above), the Holder thereof shall not be entitled to delivery of the Entitlement until the next following Settlement Business Day.

The Certificates may also be subject to automatic early redemption upon the occurrence of an Automatic Early Redemption Event, as defined in and in accordance with the provisions of Condition 29.6 if specified in the applicable Final Terms.

## 29.2 Issuer Call Option

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, having given not less than 15 days (or such Notice Period specified in the applicable Final Terms) before the giving of the notice referred to in (i), notice to the relevant Security Agent, (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Certificates then outstanding at the Optional Redemption Amount on the Option Redemption Date specified in the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date.

The "**Optional Redemption Amount**" in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to

- (i) Notional Amount x the percentage (as specified in the applicable Final Terms), or
- (ii) the Call Payout, as specified in the applicable Final Terms

Provided that if the product of the Call Payout is zero, no amount shall be payable on redemption of such Certificate.

In the case of a partial redemption of Certificates, the rights of Holders of Swedish Dematerialised Certificates, Securities will, be governed by the standard procedures of Euroclear Sweden, or any relevant Clearing System (as the case may be). So long as the Certificates are listed on the official list of Euronext Paris ("**Euronext Paris**") or any other regulated stock exchange and admitted to trading on the regulated market of Euronext Paris and the rules of that stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Certificates, cause to be published on the website of Euronext Paris ([www.euronext.com](http://www.euronext.com)) a notice specifying the aggregate nominal amount of Certificates outstanding.

## 29.3 Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than the minimum notice period nor more than the maximum notice period notice specified in the applicable Final Terms (the "**Notice Period**") the Issuer will, upon the expiry of

such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate at the Optional Redemption Amount on the relevant Optional Redemption Date together, if applicable, with interest accrued to (but excluding) the Optional Redemption Date.

The "**Optional Redemption Amount**" in respect of each Certificate shall be an amount calculated by the Calculation Agent equal to:

- (i) Notional Amount x the percentage (as specified in the applicable Final Terms); or
- (ii) the Put Payout, as specified in the applicable Final Terms,

Provided That if the product of the Put Payout is zero, no amount shall be payable on redemption of such Certificate.

If the Certificate is held through Euroclear France, Euroclear Netherlands, Euroclear Sweden, and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the Notice Period, give notice to the Security Agent concerned of such exercise in accordance with the standard procedures of Euroclear and Clearstream Banking Luxembourg, Euroclear France, Euroclear Netherlands, Euroclear Sweden and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear or Clearstream Banking Luxembourg, Euroclear France, Euroclear Netherlands, Euroclear Sweden and/or any other relevant Clearing System or any common depositary for them to the Security Agent by electronic means) in a form acceptable to Euroclear and Clearstream Banking Luxembourg, Euroclear France, Euroclear Netherlands, Euroclear Sweden and/or any other relevant Clearing System from time to time.

#### **29.4 Redemption in Instalments**

If the applicable Final Terms specify that the Certificates are Instalment Certificates, each Certificate will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

#### **29.5 Open End Certificates**

If "Open End" is specified as applicable in the relevant Final Terms, the Redemption Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling five (5) Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date determined by the Issuer acting in good faith, provided that the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer is notified to the Holders at the latest ten (10) Business Days prior to the contemplated date in accordance with Condition 10.

If a Certificate is an Open End Certificate, "Knock-in Event" and "Knock-out Event" may not be specified as applicable in the relevant Final Terms in respect of such Certificate.

#### **29.6 Automatic Early Redemption (Certificates)**

This Condition 29.6 applies to Index Securities, Share Securities, ETI Securities, Debt Securities, Currency Securities, Commodity Securities and Futures Securities only.

- (a) If "Automatic Early Redemption" is specified as applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if on (i) any Automatic Early Redemption Valuation Date or (ii) in respect of an Automatic Early Redemption Valuation

Period, as specified in the applicable Final Terms, an Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date and the amount (if any) payable by the Issuer on such date upon redemption of each Certificate shall be equal to the relevant Automatic Early Redemption Amount.

(b) Definitions relating to Automatic Early Redemption

**"AER Knock-out"** means the occurrence (such date of occurrence **AER Knock-out Date**) of a Knock-out Event and/or a Knock-in Event as specified in the applicable Final Terms;

**"Automatic Early Redemption Amount"** means an amount in the Settlement Currency equal to the Automatic Early Redemption Payout set out in the applicable Final Terms or, if not set out, an amount equal to the product of (i) the Notional Amount in respect of such Certificate and (ii) the relevant AER Rate relating to that Automatic Early Redemption Date provided that if the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on redemption of the Certificate pursuant to this Condition;

**"Automatic Early Redemption Date"** means (i) the Interest Payment Date immediately following the Automatic Early Redemption Valuation Date on which an Automatic Early Redemption Event occurs, or, otherwise, (ii) each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

**"Automatic Early Redemption Event"** means:

- (a) (A) in the case of a single Underlying Reference, the Underlying Reference Level is or (B) in the case of a Basket of Underlying References, the Basket Price is, (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level as specified in the applicable Final Terms; or
- (b) if AER Knock-out is specified in the applicable Final Terms, an AER Knock-out occurs;
- (c) in case of SPS Payout, the Underlying Reference Value or the Underlying Reference Intraday Value, as specified in the applicable Final Terms, is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level as specified in the applicable Final Terms;

**"Automatic Early Redemption Level"** means the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

**"Automatic Early Redemption Valuation Date"** means (i) the AER Knock-out Date or (ii) each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Debt Securities, a Custom Index Business Day (in respect of Custom Index Securities), a Commodity Business Day (in respect of Commodity Securities) or Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Custom Index Business Day, Commodity Business Day or Business Day, as applicable, unless, in the case of Index Securities, Share Securities, ETI Securities, Debt

Securities or Commodity Securities, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in the case of Index Securities (other than Custom Index Securities), Share Securities, ETI Securities or Debt Securities, a Custom Index Disruption event is occurring on such day (in respect of Custom Index Securities) or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Custom Index Disruption event is occurring or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic Early Redemption Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Redemption Valuation Date";

**"Automatic Early Redemption Valuation Period"** means the period specified as such in the applicable Final Terms;

**"Automatic Early Redemption Valuation Time"** means the time specified as such in the applicable Final Terms;

**"Basket of Underlying References"** means, for the purposes of this Condition 29.6, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Debt Instruments, Basket of Commodities, Basket of Commodity Indices, Basket of Futures or other basis of reference to which the value of the relevant Securities may relate, as specified in the applicable Final Terms;

**"Basket Price"** means, in respect of any Automatic Early Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Underlying Reference as the product of (a) the Underlying Reference Level of such Underlying Reference on such Automatic Early Redemption Valuation Date and (b) the relevant Weighting;

**"Cumulative Coupon"** means, in respect of an Automatic Early Redemption Valuation Date, (a) the sum of the values calculated for each Interest Period preceding the Current Interest Period as the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case for such Interest Period plus (b) the product of (i) the Rate of Interest and (ii) the Day Count Fraction, in each case for the Current Interest Period;

**"Current Interest Period"** means, in respect of an Automatic Early Redemption Valuation Date, the Interest Period during which such Automatic Early Redemption Valuation Date falls;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Condition 2 (Market Disruption) and Index Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index Securities, Index Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

- (c) in the case of Share Securities, Share Condition 2 (Market Disruption), Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events);
- (d) in the case of ETI Securities, ETI Condition 2 or ETI Condition 10 (Market Disruption), ETI Condition 3 or ETI Condition 11 (Potential Adjustment Events) and ETI Condition 4 (Extraordinary ETI Events) or ETI Condition 12 (Extraordinary Events);
- (e) in the case of Debt Securities, Debt Condition 3 (Market Disruption), Debt Condition 4 (Correction of Debt Instrument Price), Debt Condition 5 (Redemption or Cancellation of a Debt Instrument) and Debt Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract);
- (f) in the case of Commodity Securities, Commodity Condition 2 (Market Disruption), Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Condition 4 (Adjustments to a Commodity Index);
- (g) in the case of Currency Securities, Currency Condition 3 (Consequences of a Disruption Event); and
- (h) in the case of Futures Securities, Futures Condition 3 (Adjustments to a Future);

**"Underlying Reference"** means, for the purposes of this Condition 29.6 each Index, Custom Index, Share, ETI Interest, Debt Instrument, Commodity, Commodity Index, Currency, Future or other basis of reference to which the relevant Securities relate; and

**"Underlying Reference Level"** means, in respect of any Automatic Early Redemption Valuation Date, (i) "official level", "official close", "last price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Price is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities, the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), in each case, as determined by the Calculation Agent as of the Automatic Early Redemption Valuation Time on such Automatic Early Redemption Valuation Date or, in the case of the "official close" level, at such time on such Automatic Early Redemption Valuation Date as the "official close" level is published by the Observation Price Source.

- (c) Accrual

Notwithstanding Condition 28, if Accrual to Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs on an Automatic Early Redemption Valuation Date, interest will cease to accrue on such Automatic Early Redemption Valuation Date.



(d) AER Rate Determination

(i) Where the applicable Final Terms specify that the AER Rate is determined by reference to a Screen Rate the AER Rate will, subject as provided below, be either:

(A) the offered quotation; or

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

(expressed as a percentage rate per annum) for the AER Reference Rate(s) which appears or appear, as the case may be, on the Screen Page AER Rate (or such replacement page on that service which displays the information) as at the AER Specified Time indicated in the applicable Final Terms (which will be 11.00 a.m., London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) (the "**Screen Page AER Rate**") on the AER Reference Rate Determination Date in question plus or minus (as indicated in the applicable Final Terms) the AER Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Screen Page AER Rate, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Screen Page AER Rate is not available or if, in the case of subparagraph (A)(A), no offered quotation appears on the Screen Page AER Rate (or such replacement page on that service which displays the information) or, in the case of subparagraph (i)(B), fewer than three offered quotations appear on the Screen Page AER Rate (or such replacement page on that service which displays the information), in each case as at the AER Specified Time, except as provided in paragraph (iii) below, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the AER Reference Rate at the AER Specified Time on the AER Reference Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the AER Rate shall be the arithmetic mean (rounded if necessary to the nearest 0.001 with 0.0005 being rounded upwards) of the relevant quotations, eliminating the highest quotation (or in the event that two or more quotations are identical, one of the highest) and the lowest (or in the event that two or more quotations are identical, one of the lowest) plus or minus (as appropriate) the AER Margin (if any), all as determined by the Calculation Agent.

If on any AER Reference Rate Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the AER Rate shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest 0.001, with 0.0005 being rounded upwards) of the rates per annum, as communicated to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at the AER Specified Time on the relevant AER Reference Rate Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the AER Reference Rate by leading banks in the inter-bank market plus or minus (as appropriate) the AER Margin (if any).

If fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the AER Rate shall be the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the AER Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the AER Reference Rate, at which, at the AER Specified Time on the relevant AER Reference Rate Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the AER Reference Rate (which will be the London inter-bank market, if the AER Reference Rate is LIBOR, or the Euro-zone inter-bank market, if the AER Reference Rate is EURIBOR) plus or minus (as appropriate) the AER Margin (if any), as determined by the Calculation Agent.

If the AER Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Calculation Agent shall determine the AER Rate from such source(s) as it in good faith may select, except that if the Calculation Agent determines that the absence of the quotation is due to the discontinuation of the Screen Page AER Rate or the occurrence of a Reference Rate Fallback Event, then the AER Reference Rate will be determined in accordance with paragraph (ii) below.

- (ii) If the Calculation Agent determines at any time prior to any AER Reference Rate Determination Date, that the Screen Page AER Rate has been discontinued or a Reference Rate Fallback Event has occurred, the Calculation Agent will use, as a substitute for the Screen Page AER Rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction or region of the currency of the relevant rate (each a "**Relevant Nominating Body**") that is consistent with industry accepted standards, provided that, if two or more alternative reference rates are selected by any Relevant Nominating Body, the Issuer or the Calculation Agent, as applicable, shall determine which of those alternative reference rates is most appropriate to preserve the economic features of the relevant Securities. If the currency of the relevant rate that is consistent with industry accepted standards, provided that if the Calculation Agent notifies the Issuer that it is unable to determine such alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable AER Reference Rate Determination Date) appoint an agent (the "**Reference Rate Determination Agent**"), which will determine whether a substitute or successor rate, which is substantially comparable to the Screen Page AER Rate, is available for the purpose of determining the AER Reference Rate on each AER Reference Rate Determination Date falling on or after the date of such determination. If the Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Reference Rate Determination Agent will notify the Issuer of such successor rate to be used by the Calculation Agent to determine the AER Rate.

If the Reference Rate Determination Agent or the Calculation Agent, as applicable, has determined a substitute or successor rate in accordance with the foregoing paragraph (such rate, the "**Replacement AER Reference Rate**"), for the purpose of determining the AER Reference Rate on each AER Reference Rate Determination Date falling on or after such determination:

- (A) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the applicable Business Day Convention, the definition of Business Day, the AER Reference Rate Determination Date, the Day Count Fraction, and any method for obtaining the Replacement AER Reference Rate, including any adjustment needed to make such Replacement AER Reference Rate comparable to the Screen Page AER Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement AER Reference Rate;
- (B) references to the AER Reference Rate in these Conditions will be deemed to be references to the relevant Replacement AER Reference Rate, including any alternative method for determining such rate as described in (A) above;
- (C) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement AER Reference Rate, and the details described in (A) above, as soon as reasonably practicable; and
- (D) the Issuer will give notice to the Holders in accordance with Condition 10, the Principal Security Agent and the Calculation Agent of the Replacement AER Reference Rate, and the details described in (A) above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable AER Reference Rate Determination Date.

If the Reference Rate Determination Agent determines that the AER Reference Rate has been discontinued but for any reason a Replacement AER Reference Rate has not been determined, the AER Reference Rate will be equal to the last Reference Rate available on the Relevant Screen AER Page as defined above.

The determination of the Replacement AER Reference Rate and the other matters referred to above by the Reference Rate Determination Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Principal Security Agent and the Holders, unless the Issuer, the Calculation Agent or the Reference Rate Determination Agent determines at a later date that the Replacement AER Reference Rate is no longer substantially comparable to the AER Reference Rate or does not constitute an industry accepted successor rate, in which case the Calculation Agent shall appoint or re-appoint a Reference Rate Determination Agent, as the case may be (which may or may not be the same entity as the original Reference Rate Determination Agent or the Calculation Agent) for the purpose of confirming the Replacement AER Reference Rate or determining a substitute Replacement AER Reference Rate in an identical manner as described in this paragraph (ii). If the replacement Reference Rate Determination Agent or the Calculation Agent, as applicable, is unable to or otherwise does not determine a substitute Replacement AER Reference Rate, then the Replacement AER Reference Rate will remain unchanged.

The Reference Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the relevant rate as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable) or (z) an affiliate of the

Issuer, the Guarantor (if applicable) or the Calculation Agent, provided that such person shall, if required by any applicable laws, possess any licence required for such activity. If the applicable Final Terms specifies a Minimum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is less than such Minimum AER Reference Rate, the AER Rate shall be such Minimum AER Reference Rate.

If the applicable Final Terms specifies a Maximum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is greater than such Maximum AER Reference Rate, the AER Rate shall be such Maximum AER Reference Rate

If the applicable Final Terms specifies a Maximum AER Reference Rate then, in the event that the AER Reference Rate determined in accordance with the above provisions is greater than such Maximum AER Reference Rate, the AER Rate shall be such Maximum AER Reference Rate.

If the relevant Reference Rate Fallback Event may also constitute an Administrator/Benchmark Event in the determination of the Calculation Agent pursuant to Condition 15.1, the provisions of this Condition 29.6 will apply.

## **29.7 Early Redemption Amounts**

- (a) If Highest Value is specified as applicable in the applicable Final Terms, the greater of the fair market value of a Certificate or, as the case may be, Settled Amount (notwithstanding any illegality (if applicable) and taking into account any Additional Disruption Event, Optional Additional Disruption Event, Index Adjustment Event, Custom Index Adjustment Event, Non-Commencement or Discontinuance of an Exchange-traded Contract, Extraordinary Event, Commodity Index Adjustment Event, Market Disruption Event, Index Cancellation, or Futures Adjustment Event as the case may be) and the Protected Amount specified in the applicable Final Terms or, as the case may be, proportionate share of such Protected Amount, provided that, (x) no costs shall be deducted from such amount and (y) such amount shall include the reimbursement by the Issuer, *pro rata* (calculated from the early redemption date or, as the case may be, partial redemption date, notified to the Holders until the scheduled Redemption Date of the Certificates), of any costs or, as the case may be, proportionate share of such costs, (including but not limited to any structuring costs) paid by Holders to the Issuer in the Issue Price of the Certificates, such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption or, as the case may be, notice of partial redemption;
- (b) if Market Value is specified as applicable in the applicable Final Terms, the fair market value of a Certificate or, as the case may be, Settled Amount (notwithstanding the illegality (if applicable) and taking into account any Additional Disruption Event, Optional Additional Disruption Event, Index Adjustment Event, Custom Index Adjustment Event, Non-Commencement or Discontinuance of an Exchange-traded Contract, Extraordinary Event, Commodity Index Adjustment Event, Market Disruption Event, Index Cancellation, or Futures Adjustment Event, as applicable) calculated (x) without taking account of any costs and no costs shall be deducted from such amount, and (y) including the reimbursement by the Issuer, *pro rata* (calculated from the early redemption date or, as the case may be, partial redemption date notified to the Holders until the scheduled Redemption Date of the Certificates), of any costs or, as the case may be, proportionate share of such costs (including but not limited to any structuring costs) paid by Holders to the Issuer in the Issue Price of the

Certificates, such an amount to be paid to the Holders on the date notified in the notice of early redemption or, as the case may be, notice of partial redemption;

- (c) If Monetisation Option is specified as applicable in the applicable Final Terms:
- (i) the Monetisation Amount (as defined below), such amount to be paid by the Issuer (notwithstanding the notice of early redemption) on the Redemption Date; or
  - (ii) if the Holder duly elects to receive the fair market value, as provided below, the Market Value calculated in accordance with Condition 29.7(b) of such Certificate, such amount to be paid by the Issuer on the date fixed for early redemption, as notified to the Holders.

In the Issuer's notice of early redemption, the Issuer must include the following:

- (i) the cut-off date and time for each Holder to elect to receive the fair market value on the date fixed for early redemption;
- (ii) the date of determination for the fair market value in respect of such election and the amount determined by the Calculation Agent as the fair market value of the Securities on such date; and
- (iii) the amount calculated by the Calculation Agent as the Monetisation Amount.

If the Certificate is held outside Euroclear France and/or any other relevant Clearing System to make a valid election to receive the Market Value on redemption of a Certificate the Holder of the Certificate must no later than the cut-off date and time set out in the Issuer's notice of early redemption give notice to the Principal Security Agent of such election, accompanied by the Certificate or evidence satisfactory to the Principal Security Agent that the Certificate will, following delivery of notice, be held to its order or under its control in a manner reasonably satisfactory to the Principal Security Agent. If the Certificate is held through Euroclear France, Euroclear Sweden, and/or any other relevant Clearing System, to make a valid election to receive the Market Value on early redemption of the Certificate the Holder of the Certificate must no later than the cut-off date and time set out in the Issuer's notice of early redemption give notice to the Principal Security Agent in accordance with the standard procedures of Euroclear France, Euroclear Sweden, and/or any other relevant Clearing System (which may include notice being given on his instruction by Euroclear France, Euroclear Sweden, and/or any other relevant Clearing System or any common depositary for them to the Security Agent by electronic means) in a form acceptable to Euroclear France, Euroclear Sweden, and/or any other relevant Clearing System from time to time. Notice given by a Holder of any Certificate pursuant to this Condition 29.7 shall be irrevocable.

If the Holder does not make a valid election to receive the fair market value on the date fixed for early redemption before the cut-off date and time set out in the Issuer's notice of early redemption, the Holder will receive the Monetisation Amount in respect of such Security on the Redemption Date.

For the purposes of this Condition 29.7(c):

**"Monetisation Amount"** means, in respect of a Certificate, an amount equal to the greater of the Protected Amount specified in the applicable Final Terms and the amount calculated by the Calculation Agent as follows:

$$(S + D) \times (1 + r)^n$$

Where:

"S" is the present value of the Protected Amount of such Certificate on the date on which the event triggering early redemption occurs;

"D" is the market value of the Derivative Component on the date on which the event triggering early redemption occurs;

"r" is a hypothetical annual interest rate that would be applied on an equivalent hypothetical debt instrument issued by the Issuer (or the Guarantor, as applicable) with the same time to redemption as the remaining time to redemption on the Certificates from the date fixed for early redemption until the scheduled redemption date of the Certificates;

"n" is the time remaining until the scheduled redemption date of the Certificates, expressed as a number of years; and

"**Derivative Component**" means the option component or embedded derivative in respect of the Security or the interest amount due under the Certificate in order to enable the Issuer to issue the Security at the issue price and on their applicable terms. The value of the Derivative Component will be determined by the Calculation Agent, taking into account a number of factors, including, but not limited to:

- (A) market prices or values for the underlying reference asset(s) or basis (bases) and other relevant economic variables (such as interest rates; dividend rates; financing costs; the value, price or level of any relevant underlying reference asset(s) or basis (bases) and any futures or options relating to any of them; the volatility of any relevant underlying reference asset(s) or basis (bases); and exchange rates (if applicable));
- (B) the time remaining until the scheduled redemption date of the Certificates;
- (C) internal pricing models; and
- (D) prices at which other market participants might bid for the Derivative Component.

### 30. PAYMENTS AND PHYSICAL DELIVERY (CERTIFICATES)

#### 30.1 Payments

Except in the case of Swedish Dematerialised Certificates and subject as provided below, the Issuer or, failing which, the Guarantor (if any), shall pay or cause to be paid the Cash Settlement Amount (or in the case of Instalment Certificates, each Instalment Amount) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or with the relevant Account Holder (in the case of Certificates held through Euroclear France ("**Euroclear France Certificates**")) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses, such payment to be made in accordance with the rules of such Clearing System or Account Holder.

Payments of in respect of Securities in definitive form will be made in the manner provided above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Securities in definitive form at the specified office of the Security Agent.

Except in the case of Swedish Dematerialised Certificates and where the Certificates pay interest, subject as provided below, the Issuer, failing which, the Guarantor, if any, shall pay or cause to be paid the Interest Amount for each Certificate in respect of each Interest Payment Date by credit or transfer to the Holder's account with the relevant Clearing System for value on the relevant Interest Payment Date, such payment to be made in accordance with the rules of such Clearing System.

Except in the case of Swedish Dematerialised Certificates, the Issuer or the Guarantor, if any, will be discharged by payment to, or to the order of, the relevant Clearing System or the relevant Account Holder, in respect of the amount so paid. Each of the persons shown in the records of the relevant Clearing System or whose name appears in the account of the relevant Account Holder (in the case of Euroclear France Certificates) as the holder of a particular amount of the Certificates must look solely to the relevant Clearing System or, as the case may be, the relevant Account Holder for his share of each such payment so made to, or to the order of, such Clearing System or Account Holder.

In the case of OET Certificates, the Issuer shall confirm to the Principal Security Agent and to the relevant Account Holders (in the case of OET Certificates held through Euroclear France or Euroclear Netherlands) or Euroclear and Clearstream Banking Luxembourg (in the case of OET Certificates held through Euroclear or Clearstream Banking Luxembourg), the Cash Settlement Amount to be paid in respect of each OET Certificate.

In the case of Swedish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or the relevant amount (if any) payable under the Credit Security Conditions and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden, in the case of Swedish Dematerialised Certificates issued in nominal, on the second Business Day, or in the case of Swedish Dematerialised Certificates issued in units, the second Business Day (the "**Swedish Record Date**"), immediately prior to the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**"). The Swedish Security Agent will pay the relevant amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date.

If the determination of any amount in respect of interest due in respect of the Certificates on an Interest Payment Date (such date a "**Scheduled Payment Date**") is calculated by reference to the valuation of one or more Underlying Reference(s) and the date (or final date, as the case may be) for such valuation is postponed or delayed as provided in the Terms and Conditions to a date (such date the "**Delayed Date**") falling less than two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions such Interest Payment Date shall be postponed to the day falling two Business Days following such Delayed Date and no interest, premium or other amount shall be payable on the Certificates in respect of such delay.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

## 30.2 Physical Delivery

### (a) Asset Transfer Notices

In relation to Physical Delivery Certificates, in order to obtain delivery of the Entitlement(s) in respect of any Certificate, the relevant Holder must deliver to the relevant Account Holder (including Clearstream Banking Luxembourg or Euroclear), not later than 10.00 a.m. (Local Time) on the Cut-off Date, a duly completed asset transfer notice (an "**Asset Transfer Notice**") in the form set out in the Agency Agreement (as amended or supplemented from time to time) in accordance with the provisions set out in this Condition.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Security Agent.

The Asset Transfer Notice shall:

- (i) specify the name, address and contact telephone number of the relevant Holder and the person from whom the Issuer may obtain details for the delivery of the Entitlement;
- (ii) specify the series number of the Certificates and the number of Certificates which are the subject of such notice;
- (iii) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and number of the Holder's account with the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with any cash payable by the Issuer, either in respect of other cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Cash Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount;
- (iv) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement (as amended or supplemented from time to time).

If Condition 5.3 applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the relevant Clearing System or, as the case may be, the relevant Account Holder and the relevant Security Agent.

### (b) Verification of the Holder

Upon receipt of an Asset Transfer Notice, the relevant Clearing System or, as the case may be, the relevant Account Holder shall verify that the person delivering the Asset Transfer Notice is the holder of the Certificates described therein according to its records. Subject thereto, the relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Security Agent the series number and number of Certificates the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such



confirmation, the Principal Security Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Delivery Date debit the securities account of the relevant Holder with the relevant Certificates.

(c) Determinations and Delivery

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made by the relevant Clearing System or, as the case may be, the relevant Account Holder, in consultation with the Principal Security Agent, and shall be conclusive and binding on the Issuer, the Guarantor (if applicable), the Security Agents and the relevant Holder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Security Agent immediately after being delivered or sent to the relevant Clearing System or, as the case may be, the relevant Account Holder, as provided in paragraph (a) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of the relevant Clearing System, or, as the case may be, the relevant Account Holder in consultation with the Principal Security Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered to the relevant Clearing System, or, as the case may be, the relevant Account Holder and the Principal Security Agent.

The relevant Clearing System, or, as the case may be, the relevant Account Holder shall use its best efforts promptly to notify the Holder submitting an Asset Transfer Notice if, in consultation with the Principal Security Agent, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor (if applicable), the Security Agents or the relevant Clearing System or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System, the relevant Account Holder or the relevant Security Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Certificates which are the subject of such notice.

The Entitlement will be delivered at the risk of the relevant Holder, in the manner provided below on the Redemption Date (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**"), provided that the Asset Transfer Notice is duly delivered to the relevant Clearing System or the relevant Security Agent or, as the case may be, the relevant Account Holder with a copy to the Principal Security Agent, as provided above on or prior to the Cut-Off Date.

If a Holder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Security Agent, on or prior to the Cut-Off Date, then the Entitlement will be delivered or, as the case may be, Delivered as soon as practicable after the Redemption Date (in which case, such date of delivery shall be the Delivery Date), at the risk of such Holder in the manner provided herein. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of the Delivery Date or the Settlement Date, as the case may be, falling after the Redemption Date or the originally designated Settlement Date, as applicable, and no liability in respect thereof shall attach to the Issuer or the Guarantor (if applicable).

The Issuer shall at the risk of the relevant Holder, deliver or procure the delivery of the Entitlement, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable

manner as the Calculation Agent shall in good faith and in a commercially reasonable manner determine and notify to the person designated by the Holder in the relevant Asset Transfer Notice. All Expenses arising from the delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, in respect of such Certificates shall be for the account of the relevant Holder and no delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

(d) General

If Aggregation is specified as applicable in the applicable Final Terms, certificates held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Certificates, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset, each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, in such manner as the Calculation Agent shall determine. Fractions of the Relevant Asset, of each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in good faith and in a commercially reasonable manner shall be paid to the Holder.

Following the Delivery Date of a Share Security or ETI Security all dividends on the relevant Shares or ETI Interests to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or ETI Interests executed on the Delivery Date and to be delivered in the same manner as such relevant Shares or ETI Interests. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Asset Transfer Notice as referred to in Condition 30.2(a).

For such period of time after delivery or Delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor (if applicable), the Calculation Agent nor any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Holder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Holder in respect of any loss or damage which such Holder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(e) Commodity Securities shall not be Physical Delivery Certificates.

**31. PRESCRIPTION (CERTIFICATES)**

Claims against the Issuer or the Guarantor (if applicable), for payment of principal, interest in respect of the Certificates shall become void unless made within 60 months from the Redemption Date and no claims shall be made after such date.

**32. RECOGNITION OF BAIL-IN AND LOSS ABSORPTION**

This Condition 32 shall apply to all Securities, other than Securities that are Secured Securities.

### 32.1 Acknowledgement

By its acquisition of the Securities, each Holder (which, for the purposes of this Condition 32, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due (as defined below);
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities, in which case the Holder agrees to accept in lieu of its rights under the Securities any such shares, other securities or other obligations of the Issuer or another person;
  - (iii) the cancellation of the Securities; and/or
  - (iv) (A) (in the case of Certificates) the amendment or alteration of the redemption date of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; or (B) (in the case of Warrants) the amendment or alteration of the exercise date or exercise period of the Securities;
- (b) that the terms of the Securities are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority (each as defined below).

For these purposes, the "**Amounts Due**" are

(A) (in the case of Certificates) the amounts payable or (in the case of Physical Delivery Securities), the Entitlement to be delivered on redemption of each Security, and any accrued and unpaid interest on a Security that has not been previously cancelled or otherwise is no longer due; or

(B) (in the case of Warrants) the amounts payable or (in the case of Physical Delivery Securities) the Entitlement to be delivered on exercise of each Security.

### 32.2 Bail-in or Loss Absorption Power

For these purposes, the "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, the "**BRRD**"), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691 referred to below as the "**20 August 2015**

**Decree Law**"), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "**Regulated Entity**" is to any entity referred to in Section I of Article L.613- 34 of the French code *monétaire et financier* as modified by the 20 August 2015 Decree Law, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

### 32.3 **Payment of Interest and Other Outstanding Amounts Due**

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer (or, if applicable, the Guarantor) unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer (or, if applicable, the Guarantor) or other members of its group.

### 32.4 **No Event of Default**

Neither a cancellation of the Securities, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer (or, if applicable, the Guarantor), nor the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Securities will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Holder to any remedies (including equitable remedies) which are hereby expressly waived.

### 32.5 **Notice to Holders**

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Securities, the Issuer (or, if applicable, the Guarantor) will give notice to the Holders in accordance with Condition 10 (Notices) as soon as practicable regarding such exercise of the Bail-in or Loss Absorption Power. The Issuer (or, if applicable, the Guarantor) will also deliver a copy of such notice to the Principal Security Agent for information purposes, although the Principal Security Agent shall not be required to send such notice to Holders. Any delay or failure by the Issuer to give notice

shall not affect the validity and enforceability of the Bail-in or Loss Absorption Power nor the effects on the Securities described in Condition 32.1 above.

**32.6 Duties of the Principal Security Agent**

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority, the Issuer (or, if applicable, the Guarantor) and each Holder (including each holder of a beneficial interest in the Securities) hereby agree that (a) the Principal Security Agent shall not be required to take any directions from Holders, and (b) the Agency Agreement shall impose no duties upon the Principal Security Agent whatsoever, in each case with respect to the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In Power by the Relevant Resolution Authority, any Securities remain outstanding (for example, if the exercise of the Bail-In Power results in only a partial write-down of the principal of the Securities), then the Principal Security Agent's duties under the Agency Agreement shall remain applicable with respect to the Securities following such completion to the extent that the Issuer (or, if applicable, the Guarantor) and the Principal Security Agent shall agree pursuant to an amendment to the Agency Agreement.

**32.7 Pro-rating**

If the Relevant Resolution Authority exercises the Bail-in or Loss Absorption Power with respect to less than the total Amounts Due, unless the Principal Security Agent is otherwise instructed by the Issuer (or, if applicable, the Guarantor) or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Securities pursuant to the Bail-in or Loss Absorption Power will be made on a pro-rata basis.

**32.8 Conditions Exhaustive**

The matters set forth in this Condition 32 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer (or, if applicable, the Guarantor) and any holder of a Security.

## ANNEX 1

### ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

The following terms and conditions (the "**Payout Conditions**"), subject to completion in the applicable Final Terms, relate to the payouts in respect of the Securities. In particular, certain sections of the Payout Conditions will be set out and completed in the applicable Final Terms. In the event of any inconsistency between the terms and conditions of the Securities (the "**Conditions**") and the Payout Conditions, the Payout Conditions shall prevail. The descriptions of the payouts, interest rates and entitlement amounts and/or related provisions included in italics below do not form part of the Payout Conditions, are included for information purposes only and are subject to the detailed terms of the relevant payout, interest rate or entitlement amount, as applicable. The nomenclature of ETS and SPS payouts is based on a combination of the European Structured Investment Products Association (EUSIPA) categorisation and BNPP's internal codification.

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

#### 1. ETS PAYOUTS

General definitions in relation to ETS Payouts are set out below in Condition 1.4 of the Payout Conditions.

##### 1.1 Final Payouts

The following final payouts (each a "**Final Payout**") shall apply to the Securities if specified in the applicable Final Terms:

###### (a) ETS Final Payout 1250/4

If ETS Final Payout 1250/4 is specified as applicable in the applicable Final Terms:

- (i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{BonusLevel}}{[\text{Parity} \times \text{ExchangeRateFinal}]}; \text{ or}$$

- (ii) otherwise:

$$\frac{\text{Min}[\text{SettlementPriceFinal}; \text{Cap Level}]}{[\text{Parity} \times \text{ExchangeRateFinal}]}$$

*Description of the Payout and explanation of how the value of investment is affected by the value of the underlying*

*If the Underlying Reference Level has never been less than or equal to the Barrier Level on any Observation Date during the Observation Period, the Payout will be equal to the Bonus Level (divided by the product of the Exchange Rate Final and Parity).*

*Otherwise, if the Underlying Reference Level has been less than or equal to the Barrier Level on any Observation Date during the Observation Period, the Payout will be equal to the*

Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity) subject to a maximum of the Cap Level (divided by the product of the Exchange Rate Final and Parity). The Cap Level is equal to the Bonus Level.

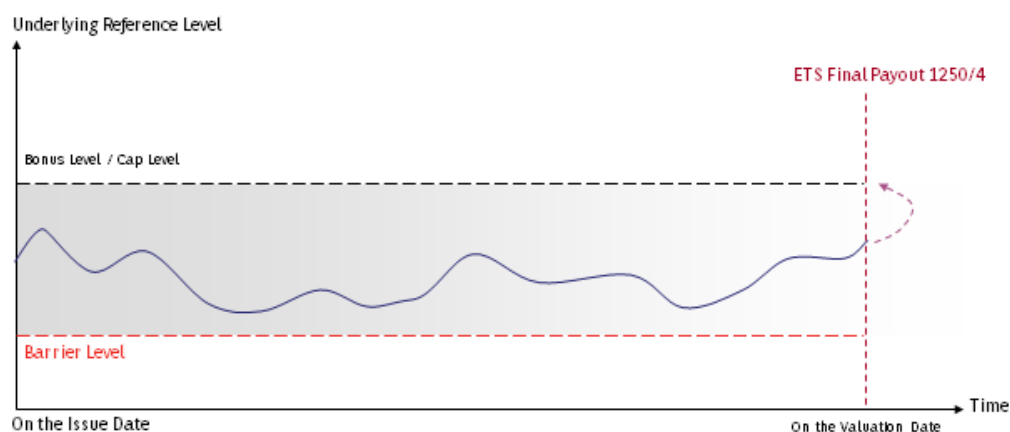
Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Securities.

### Graphical examples

The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios but **do not** depict every possible outcome or return. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.

#### Positive scenario:

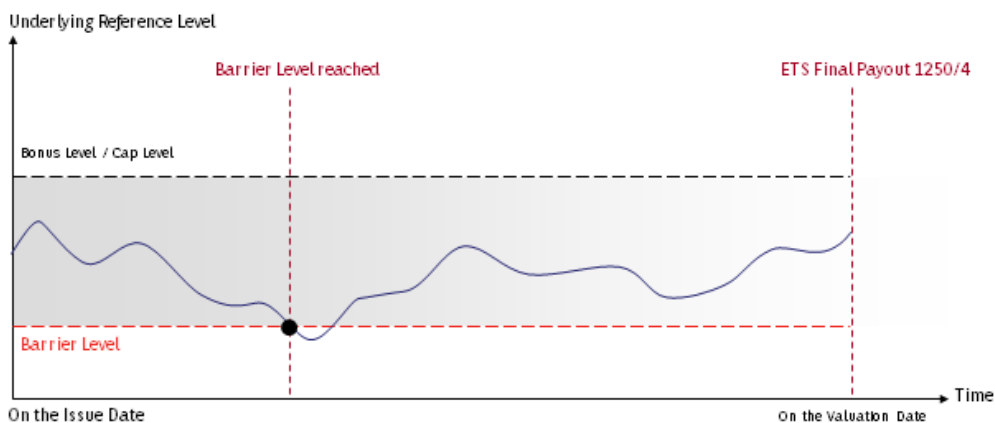
*The Underlying Reference Level has never reached the Barrier Level during the Observation Period.*



The Underlying Reference Level has never been less than or equal the Barrier Level on any Observation Date during the Observation Period as shown in the graphic above, then the Holder of Securities will receive a Payout equal to the Bonus Level.

#### Neutral scenario:

*The Underlying Reference Level has reached the Barrier Level AND the Underlying Reference Level on the Valuation Date is equal to its initial Level.*

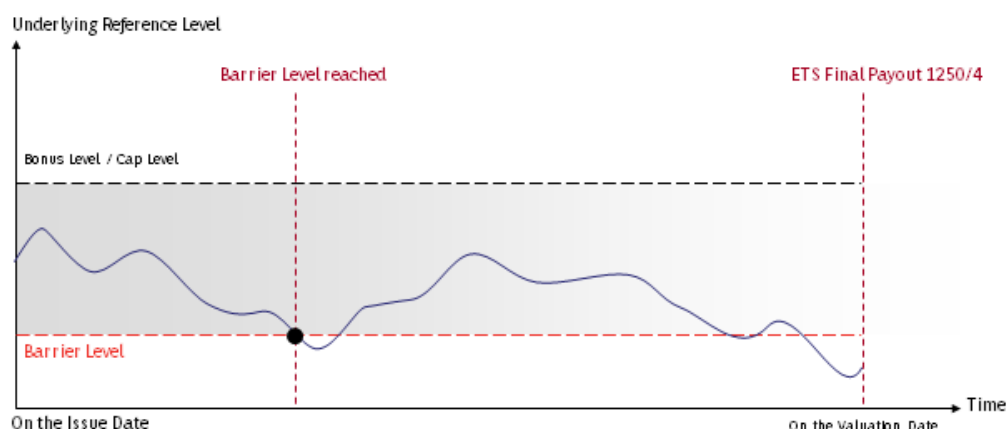


The Underlying Reference Level has been less than or equal the Barrier Level on any Observation Date during the Observation Period AND the Underlying Reference Level on the Valuation Date is equal to its initial Level, as shown in the graphic above.

In that case, the Holder of Securities will receive a Payout equal to the Settlement Price on the Valuation Date, subject to a maximum of the Cap Level (divided by the product of the Exchange Rate Final and Parity).

**Negative scenarios:**

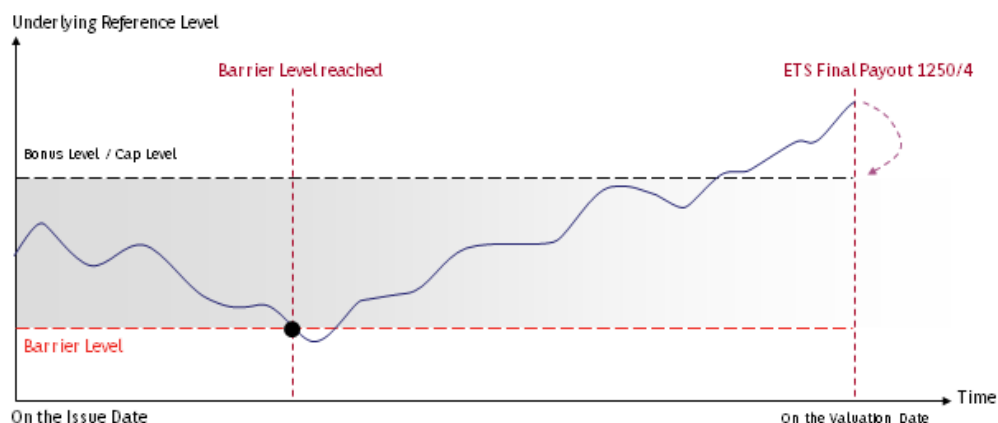
***The Underlying Reference Level has reached the Barrier Level AND the Underlying Reference Level on the Valuation Date is below the Barrier Level.***



The Underlying Reference Level has been less than or equal to the Barrier Level on any Observation Date during the Observation Period AND the Underlying Reference Level on the Valuation Date is below the Barrier Level, as shown in the graphic above.

In that case, the Holder of Securities will receive a Payout equal to the Settlement Price on the Valuation Date, subject to a maximum of the Cap Level (divided by the product of the Exchange Rate Final and Parity).

***The Underlying Reference Level has reached the Barrier Level AND the Underlying Reference Level on the Valuation Date is greater than the Cap Level.***

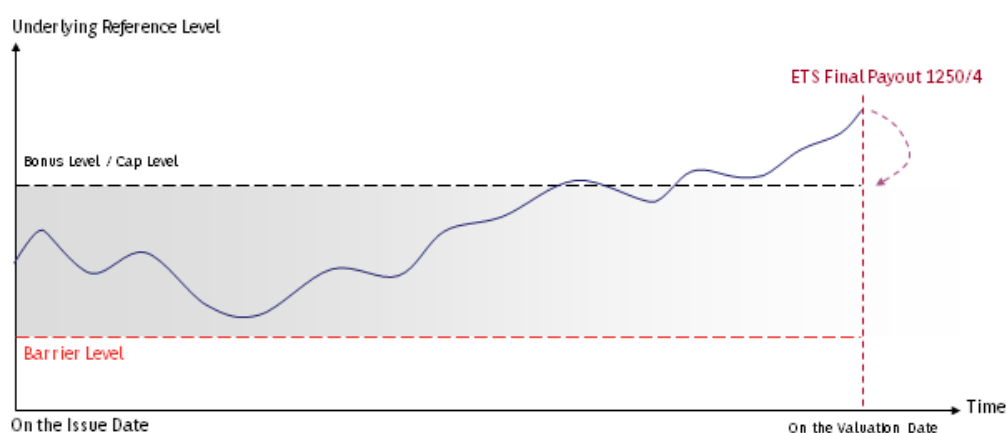




The Underlying Reference Level has been less than or equal to the Barrier Level on any Observation Date during the Observation Period AND the Underlying Reference Level on the Valuation Date is greater than the Cap Level, as shown in the graphic above.

In that case, the Holder of Securities will receive a Payout equal to the Settlement Price on the Valuation Date, subject to a maximum of the Cap Level (divided by the product of the Exchange Rate Final and Parity) and will not benefit from the complete upside due to the Cap Level.

***The Underlying Reference Level has never reached the Barrier Level AND the Underlying Reference Level on the Valuation Date is greater than the Cap Level.***



The Underlying Reference Level has never been less than or equal to the Barrier Level on any Observation Date during the Observation Period AND the Underlying Reference Level on the Valuation Date is greater than the Cap Level, as shown in the graphic above.

In that case, the Holder of Securities will receive a Payout equal to the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and will not benefit from the complete upside due to the Bonus Level

(b) **ETS Final Payout 1320/1**

If ETS Final Payout 1320/1 is specified as applicable in the applicable Final Terms:

- (i) if the Underlying Reference Level has never been less than or equal to the Barrier Level at any time on any Observation Date during the Observation Period:

$$\frac{\text{Max}[\text{SettlementPriceFinal}; \text{BonusLevel}]}{[\text{Parity} \times \text{ExchangeRateFinal}]}; \text{ or}$$

- (ii) otherwise:

$$\frac{\text{SettlementPrice Final}}{[\text{Parity} \times \text{ExchangeRateFinal}]}.$$

### ***Description of the Payout***

*If the Underlying Reference Level has never been less than or equal to the Barrier Level during the Observation Period, the Payout will be equal to the maximum of the Bonus Level (divided by the product of the Exchange Rate Final and Parity) and the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity). Otherwise the Payout will be equal to the Settlement Price on the Valuation Date (divided by the Exchange Rate Final and Parity).*

*Fluctuations in the Exchange Rate Final of the relevant currency will also affect the value of the Securities.*

#### **(c) ETS Final Payout 2100**

If ETS Final Payout 2100 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Warrants:

$$\text{Max}[0; \text{Settlement Price Final} - \text{Exercise Price}] / [\text{Parity} \times \text{Exchange Rate Final}]; \text{ or}$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Warrants:

$$\text{Max}[0; \text{Exercise Price} - \text{Settlement Price Final}] / [\text{Parity} \times \text{Exchange Rate Final}].$$

### ***Description of the Payout***

*In the case of Call Warrants, the Payout will be equal to the excess (if any) of the Settlement Price on the Valuation Date over the Exercise Price (divided by the product of the Exchange Rate Final and Parity).*

*In the case of Put Warrants, the Payout will be equal to the excess (if any) of the Exercise Price over the Settlement Price on the Valuation Date (divided by the product of the Exchange Rate Final and Parity).*

*Fluctuations in the Exchange Rate Final of the relevant currency will also affect the value of the Securities.*

#### **(d) ETS Payout 2200/1**

If ETS Final Payout 2200/1 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\frac{\text{Max}(0; \text{Settlement Price Final} - \text{Strike Price})}{[\text{Parity} \times \text{Exchange Rate Final}]}.$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\frac{\text{Max}(0; \text{Strike Price} - \text{Settlement Price Final})}{[\text{Parity} \times \text{Exchange Rate Final}]}.$$

### ***Description of the Payout***

*The Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price, or (ii) in the case of Put*

*Securities, the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date, in each case divided by the product of the Exchange Rate Final and Parity.*

*If a Knock-out Event has occurred on any relevant determination day during the applicable determination period, in the case of Call Securities or Put Securities, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities. In that case, the applicable Automatic Early Redemption Payout will be triggered and payout 2200/1 will apply (as further described under clause 1.2 below).*

*A Knock-out Event shall be deemed to occur, (i) in the case of Call Securities, if the Underlying Reference Level is less than the Knock-out Level as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Underlying Reference Level is equal to or greater than the Knock-out Level as specified in the applicable Final Terms, in each case on any Knock-out Determination Day during the Knock-out Determination Period.*

*Fluctuations in the Exchange Rate Final of the relevant currency will also affect the value of the Securities.*

**(e) ETS Final Payout 2200/2**

If ETS Final Payout 2200/2 is specified as applicable in the applicable Final Terms:

(i) if the Securities are specified in the applicable Final Terms as being Call Securities:

(A) if no Knock-in Event has occurred on any Knock-in Determination Day during the Knock-in Determination Period, 0 (zero); or

(B) if a Knock-in Event has occurred on any Knock-in Determination Day during the Knock-in Determination Period but no Knock-out Event has occurred on any Knock-out Determination Day during the Knock-out Determination Period:

$$\frac{\text{Max}(0; \text{SettlementPriceFinal} - \text{StrikePrice})}{[\text{Parity} \times \text{ExchangeRateFinal}]} ; \text{ or}$$

(C) if both a Knock-in Event and a Knock-out Event have occurred on any relevant determination day during the applicable determination period, 0 (zero); or

(ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

(A) if no Knock-in Event has occurred on any Knock-in Determination Day during the Knock-in Determination Period, 0 (zero); or

(B) if a Knock-in Event on any Knock-in Determination Day during the Knock-in Determination Period has occurred but no Knock-out Event has occurred on any Knock-out Determination Day during the Knock-out Determination Period:

$$\frac{\text{Max}(0; \text{StrikePrice} - \text{SettlementPriceFinal})}{[\text{Parity} \times \text{ExchangeRateFinal}]} ; \text{ or}$$

- (C) if both a Knock-in Event and a Knock-out Event have occurred on any relevant determination day during the applicable determination period, 0 (zero).

***Description of the Payout and explanation of how the value of investment is affected by the value of the underlying***

*If no Knock-in Event has occurred on any Knock-in Determination Day during the Knock-in Determination Period, in the case of Call Securities or Put Securities, the Payout equals zero and there will be no payment on redemption or exercise of the Securities.*

*If a Knock-in Event has occurred and no Knock-out Event has occurred on any relevant determination day during the applicable determination period, the Payout will equal (i) in the case of Call Securities, the excess (if any) of the Settlement Price on the Valuation Date over the Strike Price, or (ii), in the case of Put Securities, the excess (if any) of the Strike Price over the Settlement Price on the Valuation Date, in each case divided by the product of the Exchange Rate Final and Parity.*

*If both a Knock-in Event and a Knock-out Event have occurred on any relevant determination day during the applicable determination period, in the case of Call Securities or Put Securities, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities. In that case, the applicable Automatic Early Redemption Payout will be triggered and Payout 2200/2 will apply (as further described under clause 1.2 below).*

*A Knock-in Event shall be deemed to occur, in the case of Call Securities or Put Securities, if the Underlying Reference Level is within the Knock-in Range Level on any Knock-in Determination Day during the Knock-in Determination Period as specified in the applicable Final Terms.*

*A Knock-out Event shall be deemed to occur, (i) in the case of Call Securities, if the Underlying Reference Level is less than the Knock-out Level as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Underlying Reference Level is equal to or greater than the Knock-out Level as specified in the applicable Final Terms, in each case on any Knock-out Determination Day during the Knock-out Determination Period.*

*Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Securities.*

**(f) ETS Final Payout 2210**

If ETS Final Payout 2210 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{ConversionRate Final}} \right) \right); \text{ or}$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Capitalised Exercise Price} - \text{Final Price}}{\text{Parity} \times \text{ConversionRate Final}} \right) \right).$$

***Description of the Payout and explanation of how the value of investment is affected by the value of the underlying***

***Introduction***

*This Payout will enable investors to benefit from increasing markets in case of Call Securities and decreasing markets in case of Put Securities by amplifying the increase or decrease in the fluctuations of the Underlying Reference through the leverage effect, which may be favourable or unfavourable for the investors. The fact that the investor only finances a portion of the investment, the other portion being financed by the Issuer through what is referred to as the Financing Rate, creates a leverage effect. Therefore, the effect of the variations of the Underlying Reference is increased with the leverage effect as compared to a direct investment in the Underlying.*

***Security Threshold***

*The Security Threshold corresponds to a percentage of the CEP determined by the Issuer.*

*The initial Security Threshold is equal to the product of the initial Capitalised Exercise Price (the “CEP<sub>Initial</sub>”) and the Security Percentage, both as specified in the applicable Final Terms. The CEP<sub>Initial</sub> is calculated by the Calculation Agent in accordance with the formula described in Annex 9 and is equal to the level specified as such in the applicable Final Terms.*

*The more the Underlying Reference Level is close to the Security Threshold the higher the leverage effect is.*

*An Automatic Early Redemption Event shall be deemed to occur, (i) in the case of Call Securities, if the Observation Price is less than or equal to the applicable Security Threshold as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Observation Price is equal to or greater than the applicable Security Threshold as specified in the applicable Final Terms, in each case on any relevant determination day during the applicable determination period (the « Relevant Automatic Early Redemption Date »).*

*The likelihood that an Automatic Early Redemption Event occurs is increased by the repeated adjustment of the Capitalised Exercise Price even if the market price or value of the Underlying remains constant.*

*The Capitalised Exercise Price will be affected by the variations of the Financing Rate (as defined in Annex 9) which is affected in turn by the fluctuations in the Interbank Rate (as defined in Annex 9):*

- For Call Securities, if the Interbank Rate is increasing, the value of the Financing Rate will increase and therefore the Capitalised Exercise Price will increase each day at a faster pace thus diminishing the Payout at a quicker pace for the same Underlying Reference Level. An increasing Interbank Rate has a negative impact for the holder of Call Securities.*
- For Put Securities, if the Interbank Rate is increasing, the value of the Financing Rate will decrease and therefore the Capitalised Exercise Price will increase each day at a slower pace thus diminishing the value of the Payout at a slower pace for the same Underlying Reference Level. An increasing Interbank Rate has a positive impact for the holder of Put Securities.*

### ***Automatic Early Redemption Event***

*If no Automatic Early Redemption Event has occurred and no Holder Put Option has been exercised, the Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Final Price on the Valuation Date over the Capitalised Exercise Price, or (ii), in the case of Put Securities, the excess (if any) of the Capitalised Exercise Price over the Final Price on the Valuation Date, in each case divided by the product of the Conversion Rate Final and Parity.*

*If no Automatic Early Redemption Event has occurred and a Holder Put Option has been exercised provided that the Issuer has not already designated the Valuation Date, the Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Final Price on the Valuation Date over the Capitalised Exercise Price, or (ii), in the case of Put Securities, the excess (if any) of the Capitalised Exercise Price over the Final Price on the Valuation Date, in each case divided by the product of the Conversion Rate Final and Parity. In that case, the Put Payout 2210 will apply (as further described under clause 1.3 below).*

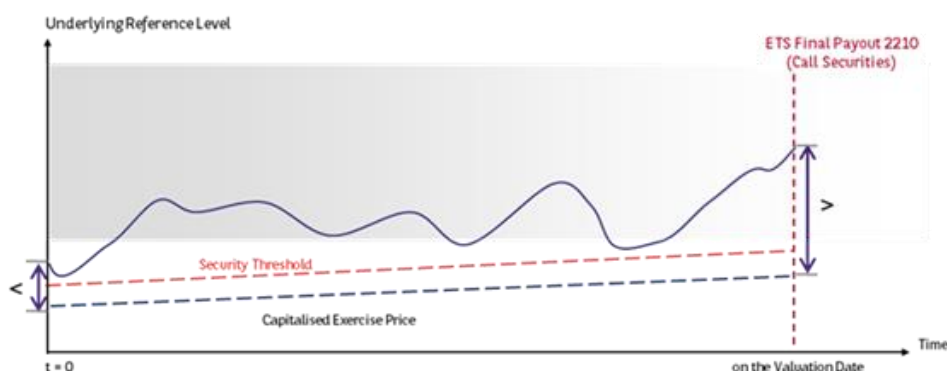
*If an Automatic Early Redemption Event has occurred, the applicable Automatic Early Redemption Payout will be triggered and payout 2210/1 or Payout 2210/2 will apply (as further described under clause 1.2 below).*

### ***Graphical examples (for a Call Security)***

The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios but **do not** depict every possible outcome or return. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.

#### **Positive scenario:**

***No Automatic Early Redemption Event has occurred AND the increase of the Underlying Reference Level between  $t=0$  and the Valuation Date has been superior to the increase of the Capitalised Exercise Price between  $t=0$  and the Valuation Date.***

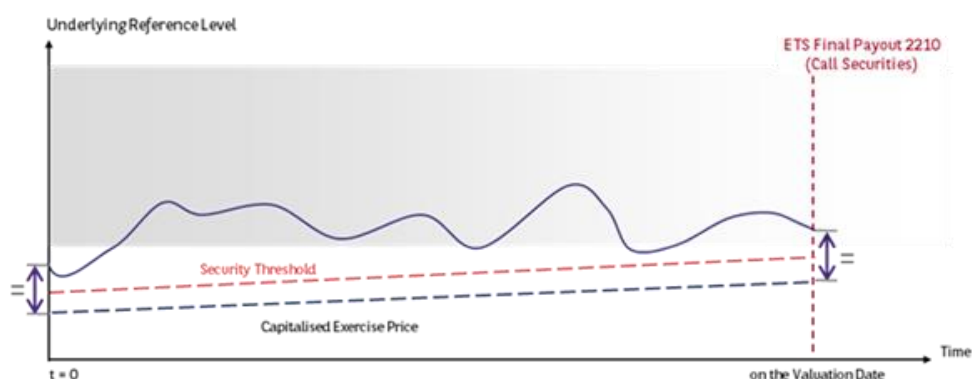


On the Valuation Date, the Underlying Reference Level (i.e. the « Observation Price ») has never reached the applicable Security Threshold. The Holder of Securities will receive a Payout equal to the excess of the Final Price on the Valuation Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Final and Parity). As the increase of the Underlying Reference Level between  $t=0$  and the Valuation Date has been bigger than the increase of the Capitalised Exercise Price, the excess of the Final Price on the Valuation Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Final and Parity) is **more** than the excess of the Underlying Reference Level on  $t=0$  over

the Capitalised Exercise Price at  $t=0$  (divided by the product of the Conversion Rate at  $t=0$  and Parity). Fluctuations in the Conversion Rate between  $t=0$  and the Valuation Date will also be neutral. Therefore, the Holder of Securities has made a gain.

#### Neutral scenario:

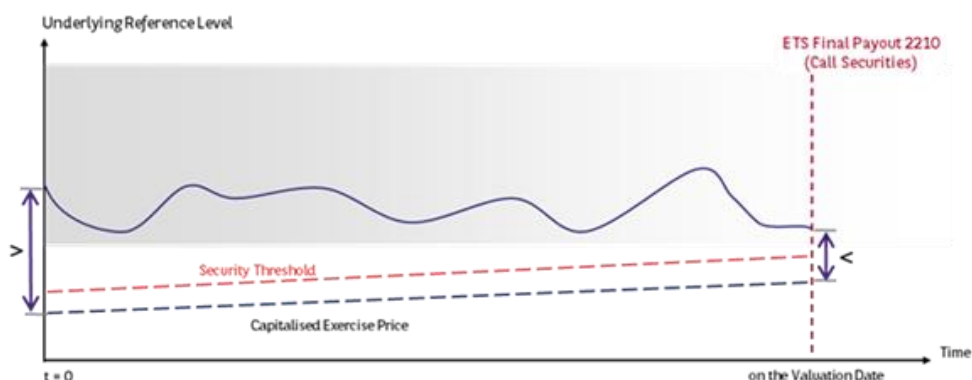
*No Automatic Early Redemption Event has occurred AND the increase of the Underlying Reference Level between  $t=0$  and the Valuation Date has been similar as the increase of the Capitalised Exercise Price between  $t=0$  and the Valuation Date.*



On the Valuation Date, the Underlying Reference Level (i.e. the « Observation Price ») has never reached the applicable Security Threshold. The Holder of Securities will receive a Payout equal to the excess of the Final Price on the Valuation Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Final and Parity). As the increase of the Underlying Reference Level between  $t=0$  and the Valuation Date has been similar as the increase of the Capitalised Exercise Price, the excess of the Final Price on the Valuation Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Final and Parity) is similar to the excess of the Underlying Reference Level at  $t=0$  over the Capitalised Exercise Price at  $t=0$  (divided by the product of the Conversion Rate at  $t=0$  and Parity). Fluctuations in the Conversion Rate between  $t=0$  and the Valuation Date will also be neutral. Therefore, the Holder of Securities will not realise any gain or suffer any loss.

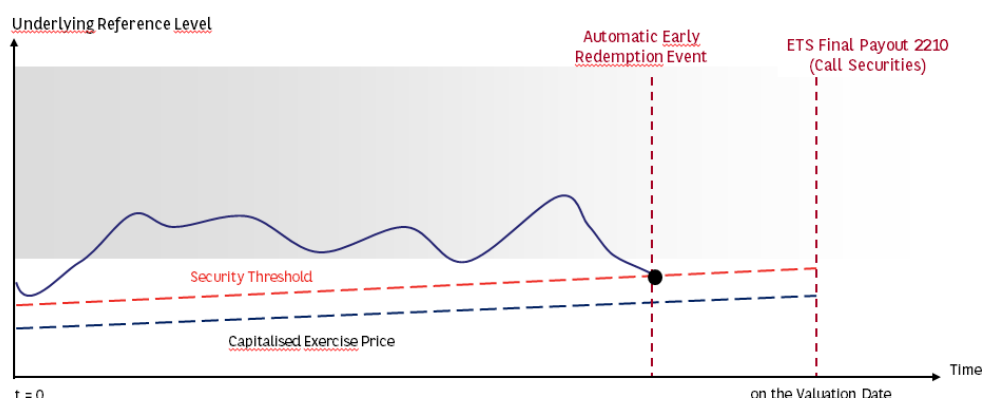
#### Negative scenarios:

*No Automatic Early Redemption Event has occurred AND the increase of the Underlying Reference Level between  $t=0$  and the Valuation Date has been less than the increase of the Capitalised Exercise Price between  $t=0$  and the Valuation Date.*



On the Valuation Date, the Underlying Reference Level (i.e. the « Observation Price ») has never reached the applicable Security Threshold. The Holder of Securities will receive a Payout equal to the excess of the Final Price on the Valuation Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Final and Parity). As the increase of the Underlying Reference Level between t=0 and the Valuation Date has been less than the increase of the Capitalised Exercise Price, the excess of the Final Price on the Valuation Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Final and Parity) is less than the excess of the Underlying Reference Level on t=0 over the Capitalised Exercise Price at t=0 (divided by the product of the Conversion Rate at t=0 and Parity). Fluctuations in the Conversion Rate between t=0 and the Valuation Date will also be neutral. Therefore, the Holder of Securities will bear a loss.

***An Automatic Early Redemption Event has occurred.***



The Underlying Reference Level (i.e. the « Observation Price ») is less than or equal to the applicable Security Threshold on any Relevant Automatic Early Redemption Date. Then, the applicable Automatic Early Redemption Payout is triggered. In case of Automatic Early Redemption Payout 2210/1 (as set out in paragraph 1.2 below), the Payout shall be equal to the excess (if any) of the Final Price Early on the Automatic Early Redemption Date over the Capitalised Exercise Price (divided by the product of the Conversion Rate Early and Parity). In case of Automatic Early Redemption Payout 2210/2 (as set out in paragraph 1.2 below), the Payout shall be equal to zero and there will be no payment on redemption or exercise of the Securities.

**(g) ETS Final Payout 2230**

If ETS Final Payout 2230 is specified as applicable in the applicable Final Terms:

$$\text{Max } (0; \text{Bonus Level}) / \text{Exchange Rate Final}$$

***Description of the Payout and explanation of how the value of investment is affected by the value of the Underlying***

If the Underlying Reference Level remains within a corridor range (the “Knock-out Corridor Range”) meaning that, it has never been less than or equal to the Knock-out Low Barrier or greater than or equal to the Knock-out High Barrier during the Knock-out Determination Period, the Payout will be equal to the Bonus Level, as specified in the applicable Final Terms and divided by the relevant Final Exchange Rate .



If Knock-out Corridor Range is specified as applicable in the applicable Final Terms and a Knock-out Event has occurred, then the Payout will equal zero and there will be no payment on redemption of the Securities. In that case, the applicable Automatic Early Redemption Payout 2230 will be triggered.

A Knock-out Event shall be deemed to occur if the Underlying Reference Level has been, at least once, less than or equal to the Knock-out Low Barrier, or greater than or equal to the Knock-out High Barrier on any Knock-out Determination Day during the Knock-out Determination Period, as specified in the applicable Final Terms.

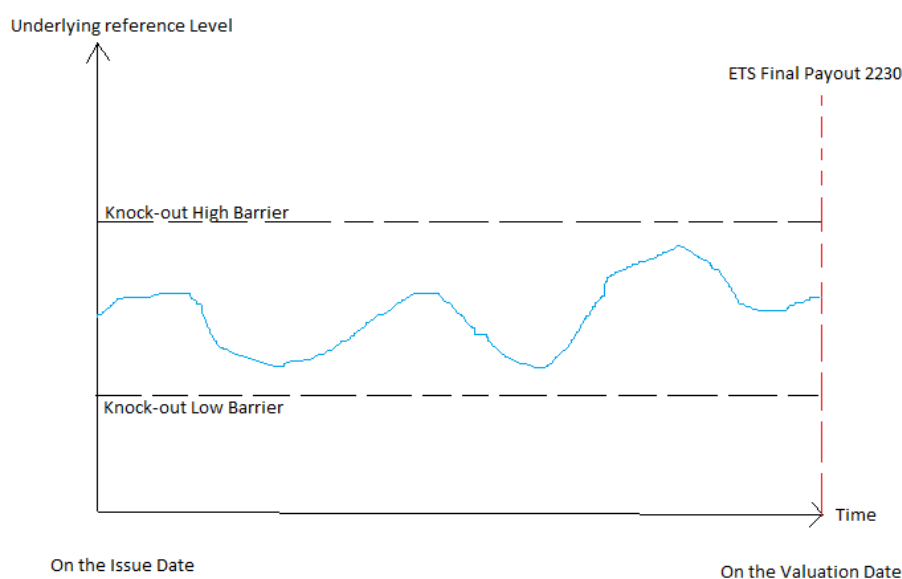
Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Securities.

### ***Graphical examples***

The illustrative examples below are hypothetical and represent positive and negative scenarios but **do not** depict every possible outcome or return. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.

#### **Positive scenario:**

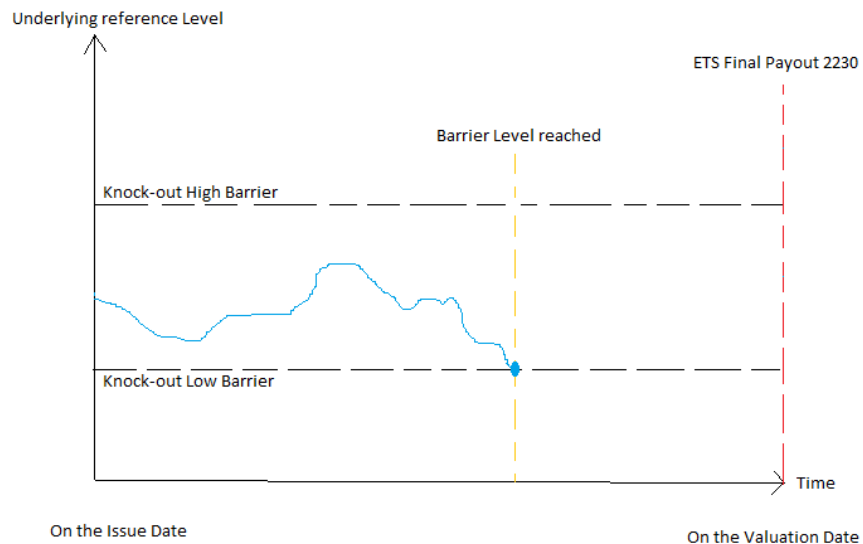
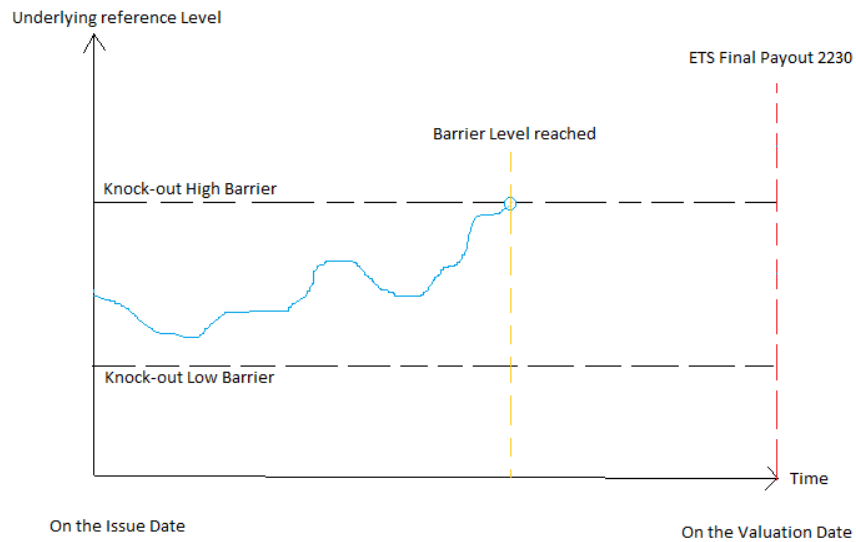
**The Underlying Reference Level has never reached the Knock-out High Barrier or the Knock-out Low Barrier during the Knock-out Determination Period.**



The Underlying Reference Level has never been less than or equal to the Knock-out Low Barrier or greater than or equal to the Knock-out High Barrier during the Knock-out Determination Period as shown in the graphic above, then the Holder of Securities will receive a Payout equal to the Bonus Level.

**Negative scenario :**

**The Underlying Reference Level has reached the Knock-out High Barrier or the Knock-out Low Barrier during the Knock-out Determination Period.**



The Underlying Reference Level is at least once greater than or equal to the Knock-out High Barrier or less than or equal to the Knock-out Low Barrier on any Knock-out Determination

Day during the Knock-out Determination Period. Then, the Automatic Early Redemption Payout 2230 is triggered. The Payout shall be equal to zero and there will be no payment on redemption of the Securities.

(h) **ETS Final Payout 2300**

If the Securities are specified in the applicable Final Terms as being ETS 2300 Certificates:

- (i) in respect of a Bull Certificate, the Bull Certificate Value on the relevant Valuation Date; or
- (ii) in respect of a Bear Certificate, the Bear Certificate Value on the relevant Valuation Date,

in each case, converted into the Settlement Currency at the Exchange Rate on the relevant Valuation Date.

Where:

"**Bear Certificate Value**" or "**Bear CV<sub>t</sub>**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

- (i) in the case of Index Securities, where dividends on the Index Shares are not reinvested in the relevant Index, or Share Securities:

$$\max \left[ \text{Bear CV}_{t-1} \times \left( 1 - L \times \left( \frac{U_t + \text{div}_t^{\text{gross}}}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bear CV}_{t-1} \right];$$

- (ii) in the case of Index Securities, where dividends on the Index Shares are reinvested in the relevant Index:

$$\max \left[ \text{Bear CV}_{t-1} \times \left( 1 - L \times \left( \frac{U_t}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bear CV}_{t-1} \right];$$

- (iii) in the case of Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$\max \left[ \text{Bear CV}_{t-1} \times \left( 1 - L \times \left( \frac{U_t}{U_{t-1} + rc_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bear CV}_{t-1} \right]; \text{ or}$$

- (iv) in the case of Currency Securities:

$$\max \left[ \text{Bear CV}_{t-1} \times \left( 1 - L \times \left( \frac{U_t}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times \text{Bear CV}_{t-1} \right];$$

"**Bull Certificate Value**" or "**Bull CV<sub>t</sub>**" means, in respect of a Relevant Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

- (i) in the case of Index Securities, where dividends on the Index Shares are not reinvested in the relevant Index, or Share Securities:

$$\max \left[ Bull\ CV_{t-1} \times \left( 1 + L \times \left( \frac{U_t + div_t^{net}}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times Bull\ CV_{t-1} \right];$$

- (ii) in the case of Index Securities, where dividends on the Index Shares are reinvested in the relevant Index:

$$\max \left[ Bull\ CV_{t-1} \times \left( 1 + L \times \left( \frac{U_t - div_t^{costs}}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times Bull\ CV_{t-1} \right];$$

- (iii) in the case of Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$\max \left[ Bull\ CV_{t-1} \times \left( 1 + L \times \left( \frac{U_t}{U_{t-1} + rc_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times Bull\ CV_{t-1} \right]; \text{ or}$$

- (iv) in the case of Currency Securities:

$$\max \left[ Bull\ CV_{t-1} \times \left( 1 + L \times \left( \frac{U_t}{U_{t-1}} - 1 \right) \right) + FC_t; 0.5\% \times Bull\ CV_{t-1} \right]; \text{ and}$$

"**Valuation Date**" means, the earlier to occur of:

- (i) the date designated as such by the Issuer provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Relevant Business Day preceding the contemplated Valuation Date;
- (ii) the date specified in the applicable Final Terms as the 2300 Final Valuation Date; or
- (iii) if Put Payout 2300 and/or Call Payout 2300 is specified as applicable in the applicable Final Terms, the relevant Optional Redemption Valuation Date specified in the applicable Final Terms,

provided, in each case, that if such date is not a Relevant Business Day, the Valuation Date will be the next following Relevant Business Day.

Subject as provided below, the Calculation Agent will calculate the Bear Certificate Value and the Bull Certificate Value on each Relevant Business Day. In order to make such calculation the Calculation Agent will also calculate the Underlying Price<sub>t</sub> on each Relevant Business Day.

If, in respect of any Relevant Business Day (including the Valuation Date), the Underlying Price<sub>t</sub> is not available before the Cut-off Time, or (x) such Relevant Business Day is a Disrupted Day (in the case of Share Securities, Currency Securities and Index Securities other than Index Securities in respect of which "Futures Price Valuation" is specified as applicable in the applicable Final Terms), or (y) as a consequence of a Market Disruption Event (in the case of Commodity Securities), the Calculation Agent will determine the Underlying Price<sub>t</sub> for such Relevant Business Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.

In the case of Index Securities in respect of which "Futures Price Valuation" is specified as applicable in the applicable Final Terms, if in respect of any Relevant Business Day

(including the Valuation Date), the Underlying Price<sub>t</sub> is not available before the Cut-off Time (other than as a result of a Non-Commencement or Discontinuance of the Exchange-traded Contract), the Calculation Agent will determine the Underlying Price<sub>t</sub> for such Relevant Business Day acting in good faith and in a commercially reasonable manner by reference to such source(s) as it considers appropriate.

Notwithstanding the foregoing, if in the determination of the Calculation Agent the Observation Price of the Underlying Reference at one or more time(s) (each such time a "**Reset Event Determination Time**") during any Observation Time Period is (i) equal to or greater than the Reset Threshold (in the case of Bear Certificates) or (ii) equal to or less than the Reset Threshold (in the case of Bull Certificates) (each a "**Reset Event**"), the Calculation Agent will on each occasion calculate the Reset Price as provided in Payout Condition 1.5 below and the Adjusted Bull CV or the Adjusted Bear CV, as the case may be, shall be the Bull Certificate Value or the Bear Certificate Value, as the case may be, for such Reset Event Determination Time on such Underlying Business Day. If one or more Reset Events occurs in an Observation Time Period, at Calculation Time<sub>t</sub> falling at the end of such period the Calculation Agent will calculate the Bull Certificate Value or the Bear Certificate Value, as the case may be, using the formula set out above except that:

- (A)  $FC_t$  is equal to (0) zero;
- (B)  $U_{t-1}$  is the Reset Price last calculated prior to Calculation Time<sub>t</sub>;
- (C) in the case of Index Securities or Share Securities,  $div_t^{net}$  and  $div_t^{gross}$  and  $div_t^{costs}$  will be equal to (0) zero; and
- (D) in the case of Commodity Securities and Index Securities to which Futures Price Valuation applies,  $rc_{t-1}$  will be equal to (0) zero.

***Description of the Payout and explanation of how the value of investment is affected by the value of the Underlying***

***Introduction***

In respect of (i) Bull Certificates the performance of the Bull Certificate over one day will be equal to the leveraged performance of the relevant Underlying Reference over that same day (which may be positive or negative) and in respect of (ii) Bear Certificates, the leveraged performance of the relevant Underlying Reference over one day (which may be positive or negative) will have the inverse effect on the performance of the Bear Certificate over that same day.

***Financing Amount and Reset Threshold***

In each case, the performance of the Bull Certificate or the Bear Certificate (as the case may be) will be adjusted by the applicable Financing Amount. The Financing Component represents the cost of borrowing money to create leverage, the cost of hedging the Securities and the fee and therefore has an impact on the value of the Certificates.

Because the performance of the Certificates over any period longer than one day will be derived from the compounded daily performance of the Underlying Reference during that period, such Certificate's performance may differ significantly from the Leverage Factor times the overall performance of the Underlying Reference over that same period.

Bull Certificates and Bear Certificates include a feature, the Reset Threshold, which is a fixed percentage applied to the value of the Underlying Reference ascertained at the preceding Calculation Time. Should the last traded price of the Underlying Reference breach the Reset Threshold at any time, a Reset Event will be deemed to have occurred. The Reset Threshold will be reset intraday and will from then on be based on the Reset Price until the next Reset Event or the next Calculation Time whichever comes first.

#### ***Issuer Call Option and Holder Put Option***

The Issuer may decide to early redeem the Bull Certificates or Bear Certificates (as the case may be) subject to prior written notice to the Holders of Securities (as further described under clause 1.6 below). Holders of Securities may also terminate their position in the Certificates by exercising the Holder Put Option upon given written notice to the Issuer (as further described under clause 1.3 below).

#### ***Final Payout***

The Holders of Securities will receive a Payout equal to the Bull Cash Value (in case of Bull Certificates) or Bear Cash Value (in case of Bear Certificates) on the relevant Valuation Date divided by the Exchange Rate on the relevant Valuation Date.

Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Certificates and the Bull Cash Value/Bear Cash Value.

#### ***Graphical examples (for a Bull Certificate)***

The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios for Bull Certificates but **do not** depict every possible outcome or return nor are Bear Certificates described. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.

#### ***In the following scenarios:***

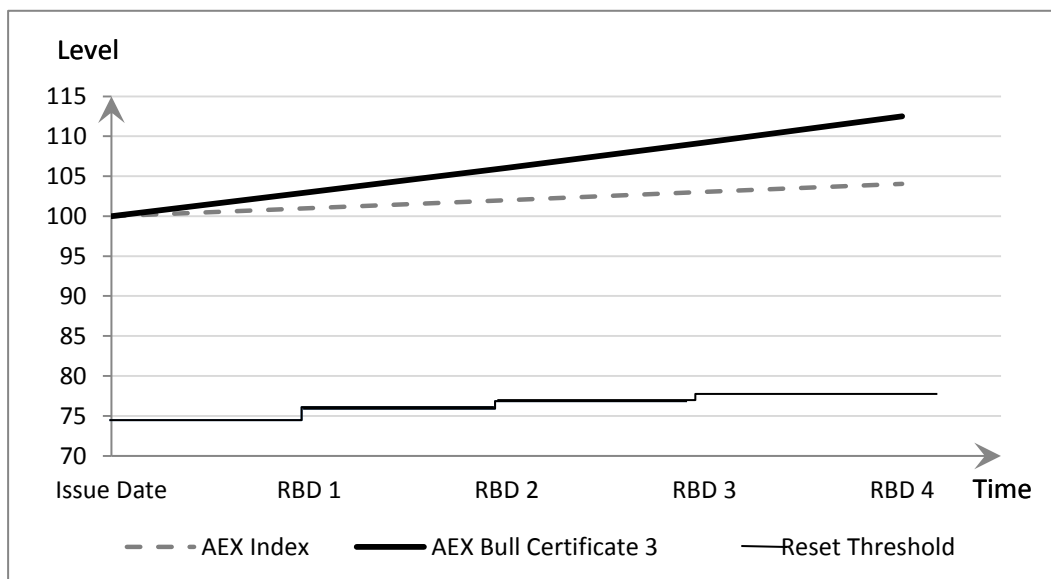
- Underlying Reference is the AEX Index
- Bull Certificate is the « AEX Bull Certificate 3 »
- Leverage Factor is equal to 3
- Financing Component is EUR -0.016 per day
- Reset Threshold Percentage is equal to 30%
- Exchange Rate is not applicable

The Positive, Median and Negative scenarios are over a holding period of 4 Relevant Business Days (RBD). The Negative scenarios whereby the Reset Threshold has been reached by the Underlying Reference are over a holding period of two entire Relevant Business Days.

#### **Positive scenario: Positive performance of the Index**

**The increase of the level of the Underlying Reference between the Issue Date and the 4<sup>th</sup> Relevant Business Day has been positive over a consecutive number of Relevant Business Days.**

The performance of the Underlying Reference is 1% per Relevant Business Day (RBD). On balance, the performance of the Underlying Reference between the Issue Date and the 4<sup>th</sup> Relevant Business Day is close to 4%.



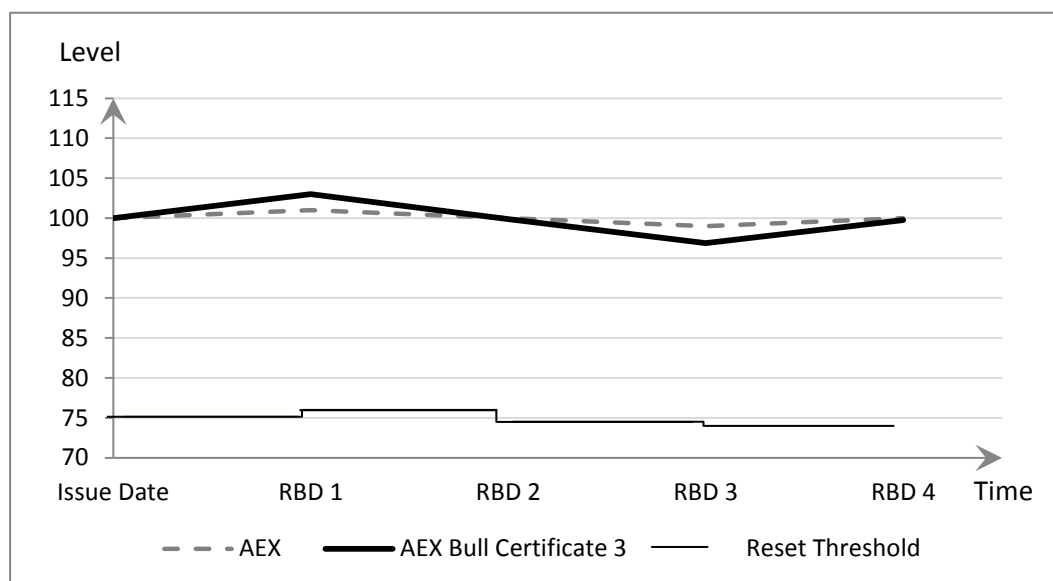
*RBD means Relevant Business Day*

On the 4<sup>th</sup> Relevant Business Day, the Underlying Reference has never reached the Reset Threshold. The Holder of Securities will receive a Payout equal to the Bull Cash Value on the 4<sup>th</sup> Relevant Business Day which will be higher than the Bull Cash Value of 100 on the Issue Date. As the level of the Underlying Reference has been higher than the preceding Relevant Business Day one on each Relevant Business Day and the performance of the Underlying Reference has been greater than the accrued daily Financing Amounts between the Issue Date and the 4<sup>th</sup> Relevant Business Day, the performance of the Bull Certificate is higher than the performance of the Underlying Reference.

**Neutral scenario: Flat performance of the Index**

**The increase of the level of the Underlying Reference between the Issue Date and the 4<sup>th</sup> Exchange Business Day has been similar to the increase of the Financing Amount between the Issue Date and the 4<sup>th</sup> Relevant Business Day.**

The performance of the Underlying Reference is 1% up on the 1<sup>st</sup> Exchange Business Day, 1% down on the 2<sup>nd</sup> and 3<sup>rd</sup> Relevant Business Day and 1% up on the 4<sup>th</sup> Relevant Business Day. On balance, the performance of the Underlying Reference between the Issue Date and the 4<sup>th</sup> Relevant Business Day is close to 0.



*RBD means Relevant Business Day*

On the 4<sup>th</sup> Relevant Business Day, the last traded price of Underlying Reference has never reached the Reset Threshold. The Holder of Securities will receive a Payout equal to the Bull Cash Value on the 4<sup>th</sup> Relevant Business Day which will be slightly lower than the Bull Cash Value as at the Issue Date. The Payout will be slightly lower when the performance of the Underlying Reference is close to zero due to the negative impact of the accrued daily Financing Amounts.

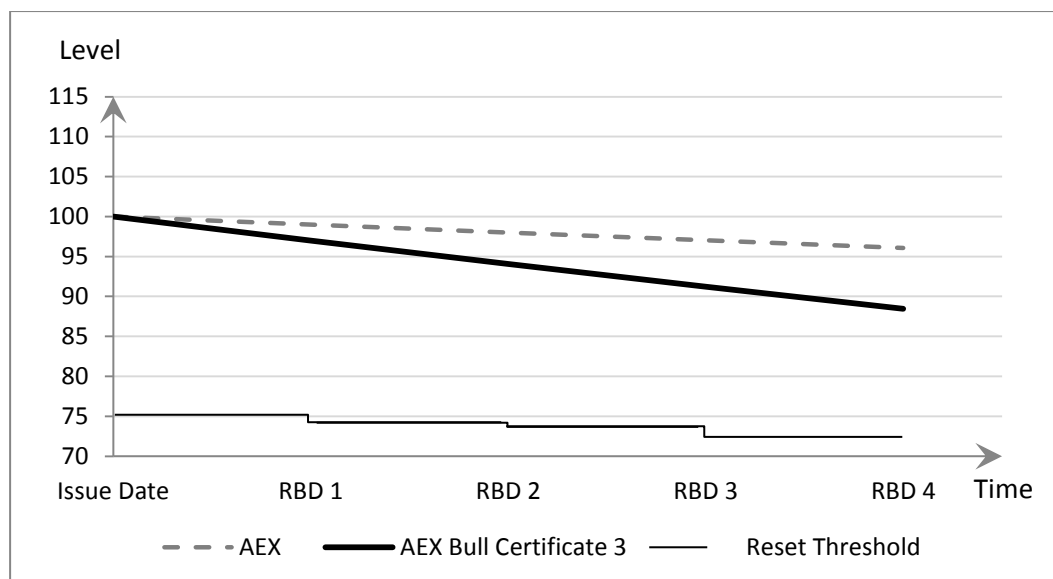
**Negative scenarios:**

**There has been a decrease of the level of Underlying Reference between the Issue Date and the 4<sup>th</sup> Relevant Business Day. The Reset Threshold has been reached by the Underlying Reference is over a holding period of two entire Relevant Business Days.**

***Negative scenario n°1: Negative performance of the Index***

The performance of the Underlying Reference is -1% per Relevant Business Day. On balance, the performance of the Underlying Reference between the Issue Date and the 4<sup>th</sup> Relevant Business Day is close to -4%.





*RBD means Relevant Business Day*

On the 4<sup>th</sup> Relevant Business Day, the last traded price of the Underlying Reference has never reached the Reset Threshold. The Holder of Securities will receive a Payout equal to the Bull Cash Value on the 4<sup>th</sup> Relevant Business Day which will be lower than the Bull Cash Value as at the Issue Date.

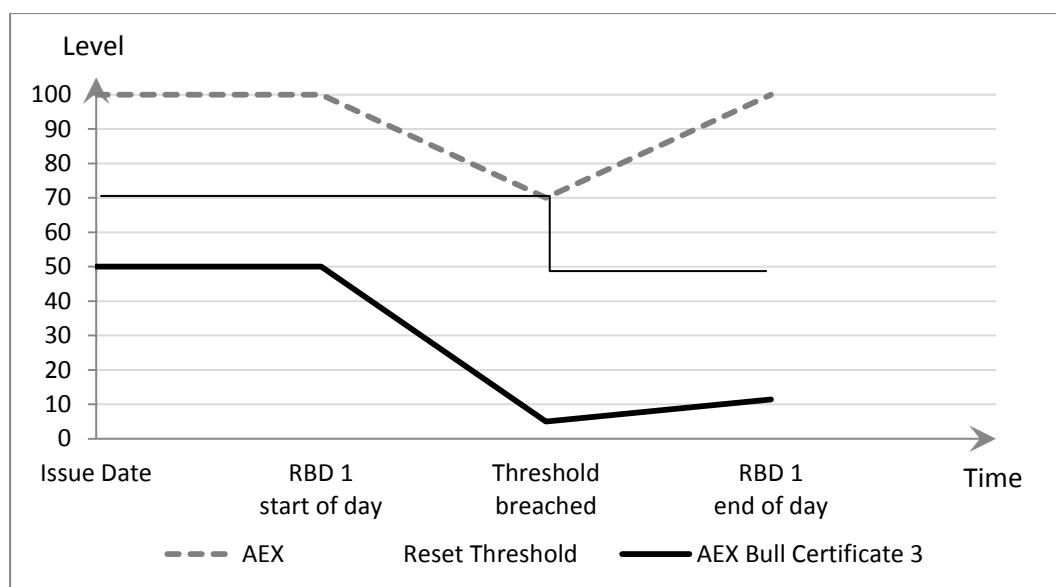
As the performance of the Underlying Reference between the Issue Date and the 4<sup>th</sup> Relevant Business Day has been negative and the accrued daily Financing Amounts over the same period has reduced the Bull Cash Value, the Bull Cash Value on the 4<sup>th</sup> Relevant Business Day is considerably lower than the Bull Cash Value as at the Issue Date reinforcing the negative performance of the Underlying Reference.

***Negative scenario n°2: Index rebound and Threshold breached (Reset Threshold has been reached intraday)***

The performance of the Underlying Reference on the Issue Date is 0%, -30% during the 1<sup>st</sup> Relevant Business Day and then, +42.86%. On balance, the performance of the Underlying Reference between the Issue Date and the 1<sup>st</sup> Relevant Business Day is 0%.

As the Reset Threshold is reached intraday during the 1<sup>st</sup> Relevant Business Day, an intraday recalculation of the Reset Threshold is triggered as shown in the graphic below.

Notwithstanding the subsequent rebound of the level of the Underlying Reference, the Bull Cash Value at the end of the 1<sup>st</sup> Relevant Business Day registers a loss of 77.14% whereas the performance of the Underlying Reference is 0%.



*RBD means Relevant Business Day*

As the last traded price of the Underlying Reference has reached the applicable Reset Threshold, the likelihood for the Holder to sell the Certificates at a price similar to the price paid at the Issue Date has considerably reduced. The value of the Certificates after the Reset Threshold has been reached intraday, will be calculated based on the Adjusted Bull CV meaning a rebound of the level of the Underlying Reference will not result in the Bull Cash Value rebounding to the level of the Bull Cash Value before the Underlying Reference drop down to a negative performance.

Holders should be aware that under certain circumstances, the Bull Cash Value can reach a level close to zero.

## 1.2 Automatic Early Redemption Payouts

If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the following Automatic Early Redemption payouts (each an "**Automatic Early Redemption Payout**") shall apply to the Securities if specified in the applicable Final Terms:

### (a) Automatic Early Redemption Payout 2200/1

If Automatic Early Redemption Payout 2200/1 is specified as applicable in the applicable Final Terms, 0 (zero).

#### ***Description of the Automatic Early Redemption Payout 2200/1 and explanation of how the value of investment is affected by the value of the underlying***

*If a Knock-out Event has occurred on any relevant determination day during the applicable determination period, in the case of Call Securities or Put Securities, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities.*

*A Knock-out Event shall be deemed to occur, (i) in the case of Call Securities, if the Underlying Reference Level is less than the Knock-out Level as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Underlying Reference Level is equal to or greater than the Knock-out Level as specified in the applicable Final Terms, in each case on any Knock-out Determination Day during the Knock-out Determination Period.*

(b) **Automatic Early Redemption Payout 2200/2**

If Automatic Early Redemption Payout 2200/2 is specified as applicable in the applicable Final Terms, 0 (zero).

***Description of the Automatic Early Redemption Payout 2200/2 and explanation of how the value of investment is affected by the value of the underlying***

*If both a Knock-in Event and a Knock-out Event have occurred on any relevant determination day during the applicable determination period, in the case of Call Securities or Put Securities, then the Payout will equal zero and there will be no payment on redemption or exercise of the Securities.*

*A Knock-in Event shall be deemed to occur, in the case of Call Securities or Put Securities, if the Underlying Reference Level is within the Knock-in Range Level on any Knock-in Determination Day during the Knock-in Determination Period as specified in the applicable Final Terms.*

*A Knock-out Event shall be deemed to occur, (i) in the case of Call Securities, if the Underlying Reference Level is less than the Knock-out Level as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Underlying Reference Level is equal to or greater than the Knock-out Level as specified in the applicable Final Terms, in each case on any Knock-out Determination Day during the Knock-out Determination Period.*

(c) **Automatic Early Redemption Payout 2210/1**

If Automatic Early Redemption Payout 2210/1 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max} \left( 0; \left( \frac{\text{FinalPriceEarly} - \text{Capitalised ExercisePrice}}{\text{Parity} \times \text{ConversionRateEarly}} \right) \right);$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Capitalised ExercisePrice} - \text{FinalPriceEarly}}{\text{Parity} \times \text{ConversionRateEarly}} \right) \right).$$

***Description of the Automatic Early Redemption Payout 2210/1 and explanation of how the value of investment is affected by the value of the underlying***

*An Automatic Early Redemption Event shall be deemed to occur, (i) in the case of Call Securities, if the Observation Price is less than or equal to the applicable Security Threshold as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Observation Price is equal to or greater than the applicable Security Threshold as specified in the applicable Final Terms in each case on any relevant determination day during the applicable determination period (the « Relevant Automatic Early Redemption Date »).*

*In the case of (i) a Call Securities, if an Automatic Early Redemption Event has occurred, then the Payout will equal the excess (if any) of the Final Price Early on the Automatic Early*

*Redemption Date over the Capitalised Exercise Price, divided by the product of the Conversion Rate Early and Parity,*

*In the case of (ii) a Put Securities, if an Automatic Early Redemption Event has occurred, then the Payout will equal the excess (if any) of the Capitalised Exercise Price over the Final Price Early on the Automatic Early Redemption Date, divided by the product of the Conversion Rate Early and Parity.*

**(d) Automatic Early Redemption Payout 2210/2**

If Automatic Early Redemption Payout 2210/2 is specified as applicable in the applicable Final Terms, 0 (zero).

***Description of the Automatic Early Redemption Payout 2210/2 and explanation of how the value of investment is affected by the value of the underlying***

*An Automatic Early Redemption Event shall be deemed to occur, (i) in the case of Call Securities, if the Observation Price is less than or equal to the applicable Security Threshold as specified in the applicable Final Terms, or (ii) in the case of Put Securities, if the Observation Price is equal to or greater than the applicable Security Threshold as specified in the applicable Final Terms in each case on any relevant determination day during the applicable determination period (the « Relevant Automatic Early Redemption Date »).*

*In the case of (i) a Call Securities, if an Automatic Early Redemption Event has occurred, then the Payout will equal zero (0) and there will be no payment on redemption or exercise of the Securities.*

*In the case of (ii) a Put Securities, if an Automatic Early Redemption Event has occurred, then the Payout will equal zero (0) and there will be no payment on redemption or exercise of the Securities.*

**(e) Automatic Early Redemption Payout 2230**

If Automatic Early Redemption Payout 2230 is specified as applicable in the applicable Final Terms, 0 (zero).

***Description of the Automatic Early Redemption Payout 2230 and explanation of how the value of investment is affected by the value of the underlying***

*An Automatic Early Redemption Event shall be deemed to occur if the Underlying Reference Level is outside the Knock-out Corridor Range (i.e. greater than or equal to the Knock-out High Barrier and/or less than or equal to the Knock-out Low Barrier) on any Knock-out Determination Day during the Knock-out Determination Period. In such case the Payout shall be equal to zero and there will be no payment on redemption of the Securities.*

### 1.3 Holder Put Option Payouts

The following Holder Put Option Payouts (each a "**Put Payout**") shall apply to the Securities if specified in the applicable Final Terms:

(a) **Put Payout 2210**

If Put Payout 2210 is specified as applicable in the applicable Final Terms:

- (i) if the Securities are specified in the applicable Final Terms as being Call Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{ConversionRate Early}} \right) \right);$$

- (ii) if the Securities are specified in the applicable Final Terms as being Put Securities:

$$\text{Max} \left( 0; \left( \frac{\text{Final Price} - \text{Capitalised Exercise Price}}{\text{Parity} \times \text{ConversionRate Early}} \right) \right)$$

***Description of the Put Payout 2210 and explanation of how the value of investment is affected by the value of the underlying***

*If the Holder has exercised its Holder Put Option provided that no Automatic Early Redemption Event has occurred and the Issuer has not already designated the Valuation Date, the Payout will be equal to (i) in the case of Call Securities, the excess (if any) of the Final Price on the Valuation Date over the Capitalised Exercise Price, or (ii), in the case of Put Securities, the excess (if any) of the Capitalised Exercise Price over the Final Price on the Valuation Date, in each case divided by the product of the Conversion Rate Early and Parity.*

(b) **Put Payout 2300**

If Put Payout 2300 is specified as applicable in the applicable Final Terms, the Put Payout shall be calculated on the same basis as ETS Final Payout 2300, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to "the relevant Optional Redemption Valuation Date".

### 1.4 General Definitions for ETS Payouts

**"Barrier Level"** means the number or amount specified as such in the applicable Final Terms or, if specified in the applicable Final Terms, the product of the Barrier Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent in good faith and in a commercially reasonable manner;

**"Barrier Percentage"** means the percentage comprised between 0% (inclusive) and 100% (inclusive) of the Strike Level as specified in the applicable Final Terms. The Bonus Level will only apply if the Underlying Reference Level has never reached the Barrier Level determined on the basis of the Barrier Percentage. A lower Barrier Percentage results in a lower risk of reaching the Barrier Level thus lowering the risk of a loss for the Holder as the Holder has a higher level of limited protection. A higher Barrier Percentage results in a higher risk of reaching the Barrier Level thus increasing the risk of a loss for the Holder as the Holder has a lower level of limited protection;

**"Bonus"** means the number or amount specified as such in the applicable Final Terms;

**"Bonus Level"** means the number or amount specified as such in the applicable Final Terms or, if specified in the applicable Final Terms, the product of the Bonus Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent in good faith and in a commercially reasonable manner;

**"Bonus Percentage"** means the percentage equal to, or higher than, 0% of the Strike Level as specified in the applicable Final Terms. If the Underlying Reference Level has never reached the Barrier Level, the Bonus Level will apply, such Bonus Level being determined on the basis of the Bonus Percentage. A lower Bonus Percentage results in a lower amount payable under the Payout and a higher Bonus Percentage results in a higher potential amount payable under the Payout;

**"Cap Level"** means the number or amount specified as such in the applicable Final Terms or, if specified in the applicable Final Terms, the product of the Cap Percentage and the Strike Level rounded upwards or downwards as determined by the Calculation Agent in good faith and in a commercially reasonable manner;

**"Cap Percentage"** means the percentage equal to, or higher than, 0% of the Strike Level as specified in the applicable Final Terms. If the Underlying Reference Level has reached the Barrier Level, the Bonus Level will not apply but the Cap Level may apply, such Cap Level being determined on the basis of the Cap Percentage. A lower Cap Percentage results in a lower potential amount payable under the Payout. A higher Cap Percentage results in a higher potential amount payable under the Payout;

**"Capitalised Exercise Price "** is defined in Annex 9;

**"Conversion Rate"** means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived) between the currency of the relevant Underlying Reference and the Settlement Currency, as specified as such in the applicable Final Terms on such day;

**"Conversion Rate Early"** means the Conversion Rate on (a) the Relevant Automatic Early Redemption Valuation Date or (b) the relevant Optional Redemption Valuation Date, as applicable;

**"Conversion Rate Final"** means the Conversion Rate on the Valuation Date;

**"Exchange Rate"** means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived), between the currencies and from the source(s) and at the time in each case specified in the applicable Final Terms on such day;

**"Exchange Rate Final"** means the Exchange Rate on the Valuation Date;

**"Final Price Early "** is defined in Annex 9;

**"Listing Date"** means, in respect of any Securities, the date on which such Securities are first admitted to trading on any stock exchange or other trading or quotation system;

**"Maximum Payout Amount"** means the amount specified as such in the applicable Final Terms;

**"n"** means the number specified as such in the applicable Final Terms;

**"Observation Price "** is defined in Annex 9;

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Parity"** means the number specified as such in the applicable Final Terms;

**"Premium Percentage"** means the percentage specified as such in the applicable Final Terms;

**"Settlement Price Final"** means the Settlement Price on the Valuation Date;

**"Strike Level"** means:

- (i) if the relevant Underlying Reference is an Index, the Closing Level;
- (ii) if the relevant Underlying Reference is a Share, the Closing Price, as specified in the applicable Final Terms;
- (iii) if the relevant Underlying Reference is an ETI, the Closing Price
- (iv) if the relevant Underlying Reference is a Commodity or a Commodity Index, the Relevant Price; or
- (v) if the relevant Underlying Reference is a Debt Instrument, a Currency or Future, the Settlement Price,

in each case on the Strike Date;

**"Strike Price"** means (a) if the Securities are Certificates, the price, level or amount specified as such in the applicable Final Terms or (b) if the Securities are Warrants, the relevant Exercise Price;

**"Underlying Reference"** means, for the purposes of the ETS Payouts, each Index, Share, ETI, Debt Instrument, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant Securities relate; and

**"Underlying Reference Level"** means, in respect of a time and a day (i) "official level", "last price", "bid price" or "asked price" of the Underlying Reference, as specified in the applicable Final Terms published by the Observation Price Source or (ii) if Standard Underlying Reference Level is specified as applicable in the applicable Final Terms (a) in the case of Share Securities, ETI Securities and Futures Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price (on the basis that such day is deemed to be a Pricing Date), or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), or (e) in the case of Debt Securities, the bid price of the relevant Underlying Reference as determined by the Calculation Agent by reference to the bid price for such Underlying Reference appearing on the Relevant Screen Page, in each case for such time on such day.

## **1.5 Additional Definitions for ETS Final Payout 2300**

**"Adjusted Bear CV"** or **"Adjusted Bull CV"** means an amount calculated by the Calculation Agent in accordance with the Bear  $CV_t$  formula or the Bull  $CV_t$  formula, as the case may be, in Payout Condition 1.1(h) except that:

- (i) with respect to any calculation to be made following the first Reset Event occurring during an Observation Time Period (the **"Relevant Observation Time Period"**),  $U_t$  will be the Reset Price calculated following the relevant Reset Event Determination Time;
- (ii) with respect to any subsequent Reset Events occurring within the Relevant Observation Time Period:

- (a) Bear  $CV_{t-1}$  will be the Adjusted Bear CV and Bull  $CV_{t-1}$  will be the Adjusted Bull CV, as the case may be, last calculated prior to the relevant Reset Event Determination Time;
- (b)  $FC_t$  is equal to (0) zero;
- (c)  $U_t$  is the Reset Price calculated following the relevant Reset Event Determination Time;
- (d)  $U_{t-1}$  is the Reset Price last calculated prior to the relevant Reset Event Determination Time;
- (e) in the case of Index Securities or Share Securities,  $div_t^{net}$  and  $div_t^{gross}$  and  $div_t^{costs}$  will be equal to (0) zero; and
- (f) in the case of Commodity Securities and Index Securities to which Futures Price Valuation applies,  $rc_{t-1}$  will be equal to (0) zero.

"**Bear  $CV_0$** " means the Issue Price per Certificate converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date ( $t=0$ );

"**Bear  $CV_{t-1}$** " means, in respect of the calculation of Bear CV, the Bear Certificate Value last calculated, provided that Bear  $CV_{t-1}$  for the Listing Date is Bear  $CV_0$ ;

"**Bull  $CV_0$** " means the Issue Price per Certificate converted into the Calculation Currency at the Exchange Rate on the Relevant Business Day preceding the Commencement Date ( $t=0$ );

"**Bull  $CV_{t-1}$** " means, in respect of the calculation of Bull CV, the Bull Certificate Value last calculated, provided that Bull  $CV_{t-1}$  for the Listing Date is Bull  $CV_0$ ;

"**Calculation Currency**" means the currency of the Underlying Reference (in respect of Index Securities, Share Securities and Commodity Securities) or the Subject Currency (in respect of Currency Securities);

"**Calculation Time<sub>t</sub>**" means, in respect of a Relevant Business Day, the Scheduled Closing Time (in respect of Index Securities and Share Securities), the time at which the Official Settlement Price of the relevant Exchange-traded Contract is published or, if First Traded Price Applicable is specified in the applicable Final Terms, the time at which the First Trading Price of the relevant Futures or Options Exchange is published (in respect of Index Securities to which Futures Price Valuation applies), the time at which the relevant Commodity Reference Price is published by the relevant Exchange (in respect of Commodity Securities) or the Valuation Time (in respect of Currency Securities), in each case on such Relevant Business Day;

"**Calculation Time<sub>t-1</sub>**" means, in respect of a Relevant Business Day, the Calculation Time on the Relevant Business Day immediately preceding such day;

"**Commencement Date**" means, the Listing Date of the relevant Bear Certificate or Bull Certificate ( $t=1$ );

"**Cut-off Time**" means, in respect of a Relevant Business Day, one (1) hour following Calculation Time<sub>t</sub>;

" **$div_t^{gross}$** " means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to the sum of the gross cash dividends and/or other cash distributions payable in respect of the



relevant Underlying Reference (or in the case of an Index, in respect of each Index Share (as defined below)) related to such Ex-Dividend Date;

" $\text{div}_t^{\text{net}}$ " means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to the sum of the cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share (as defined below)) related to such Ex-Dividend Date less any taxes deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of such dividends pursuant to any applicable double taxation treaty or domestic law prevailing at the time of the distribution;

" $\text{div}_t^{\text{costs}}$ " means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent based on the Applicable Withholding Tax or other charges and costs incurred in connection with the distribution of the dividend;

"**Applicable Withholding Tax**" means the applicable withholding taxes or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of cash dividends and/or other cash distributions payable in respect of the relevant Index Share pursuant to the applicable double taxation treaty or domestic law prevailing at the time of the distribution;

"**Ex-Dividend Date**" means, with respect to a Share or share comprising an Index (an "**Index Share**"), the date on which such Share or Index Share becomes "ex-dividend" as determined by the Calculation Agent;

"**Fee**" or "**F**" means the percentage specified as such in the applicable Final Terms. The Calculation Agent, acting in good faith and in a commercially reasonable manner, may adjust the Fee within the Fee Range to reflect a change in the cost to the Issuer of issuing the Securities or providing a price in the secondary market;

"**Fee Range**" means the range specified as such in the applicable Final Terms;

"**Financing Component**<sub>t</sub>" or "**FC**<sub>t</sub>" means, in respect of a Relevant Business Day:

(i) in the case of Bear Certificates that are Index Securities or Share Securities:

$$-CV_{t-1}x \left( (-L-1)x (r_{t-1}^u - rm) + Lx (hc + F) \right) x n(t-1, t);$$

(ii) in the case of Bull Certificates that are Index Securities or Share Securities:

$$-CV_{t-1}x \left( (L-1)x (r_{t-1}^u + rm) + Lx (hc + F) \right) x n(t-1, t);$$

(iii) in the case of Bear Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$-CV_{t-1}x \left( -(r_{t-1}^u - rm) + Lx (hc + F) \right) x n(t-1, t);$$

(iv) in the case of Bull Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$-CV_{t-1}x \left( -(r_{t-1}^u - rm) + Lx (hc + F) \right) x n(t-1, t);$$

(v) in the case of Bear Certificates that are Currency Securities:

$$-CV_{t-1}x \left( -r_{t-1}^{ub} - Lx (r_{t-1}^{ub} - r_{t-1}^{ur} - rm) + Lx (hc + F) \right) x n(t-1, t); \text{ or}$$

(vi) in the case of Bull Certificates that are Currency Securities:

$$-CV_{t-1}x \left( -r_{t-1}^{ub} + Lx (r_{t-1}^{ub} - r_{t-1}^{ur} + rm) + Lx (hc + F) \right) x n(t-1, t);$$

**"Hedging Cost"** or **"hc"** means the percentage specified as such in the applicable Final Terms. If at any time after the Listing Date the cost of hedging the Securities materially exceeds such specified percentage, the Calculation Agent, acting in good faith and in a commercially reasonable manner, may adjust the Hedging Cost to reflect this change, save that the Hedging Cost will not be less than the Minimum Hedging Cost and will not exceed the Maximum Hedging Cost;

**"Interest Margin"** or **"rm"** means the percentage specified as such in the applicable Final Terms. The Calculation Agent may adjust the Interest Margin, acting in good faith and in a commercially reasonable manner, to reflect any disparity between the Reference Interest Rate and the Issuer's funding rate, save that the Interest Margin will not be less than the Minimum Interest Margin and will not exceed the Maximum Interest Margin;

**"Leverage Factor"** or **"L"** means the positive number specified as such in the applicable Final Terms;

**"Listing Place"** means the exchange on which the Securities are listed, as specified in the applicable Final Terms;

**"Listing Place Business Day"** means any day on which the relevant Listing Place is open for a regular trading session of the Securities;

**"Maximum Hedging Cost"** means the percentage specified as such in the applicable Final Terms;

**"Maximum Interest Margin"** means the percentage specified as such in the applicable Final Terms;

**"Minimum Hedging Cost"** means the percentage specified as such in the applicable Final Terms;

**"Minimum Interest Margin"** means the percentage specified as such in the applicable Final Terms;

**"Observation Price"** means the "official level", "opening price", "official close", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price", "official settlement price", "daily settlement price", "high", "mid", "low", "bid high", "bid low", "ask high", "ask low", as specified in the applicable Final Terms, of the Underlying Reference published by the Observation Price Source;

**"Observation Price Source"** means the price source specified as such in the applicable Final Terms;

**"Observation Time Period"** means, in respect of a Underlying Business Day, the period of time from but excluding Calculation Time<sub>t-1</sub> to and including Calculation Time<sub>t</sub>;

**"Rate Period"** or **"n(t-1,t)"** means, in respect of a Relevant Business Day, (i) the number of calendar days from (and including) the Relevant Business Day immediately preceding such Relevant Business Day to (but excluding) such Relevant Business Day, divided by (ii) 360;

**"Reference Floating Rate"** means, in respect of a Relevant Business Day, the Reference Floating Rate Option in respect of such day appearing on the Reference Floating Rate Option Page at the Reference Floating Rate Option Time or if the relevant rate does not appear on such page at such time or there has been a permanent or indefinite cancellation or cessation of the relevant rate, the Calculation Agent will use, as a substitute for the relevant rate, the alternative rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the

jurisdiction or region of the currency in which the relevant rate is denominated (each a "**Relevant Nominating Body**"), that is consistent with industry accepted standards, provided that, if two or more alternative rates are selected by any Relevant Nominating Body, the Issuer or the Calculation Agent, as applicable, shall determine which of those alternative rates is most appropriate to preserve the economic features of the relevant Securities. If the Calculation Agent is unable to determine such alternative rate, the Reference Floating Rate Option for such Relevant Business Day shall be determined by the Calculation Agent at such time and from such source(s) as it may select acting in good faith and in a commercially reasonable manner;

"**Reference Floating Rate Option**" means the relevant rate and designated maturity specified as such in the applicable Final Terms;

"**Reference Floating Rate Option Page**" means the page or price source specified as such in the applicable Final Terms or such successor page or source as determined by the Calculation Agent;

"**Reference Floating Rate Option Time**" means the time specified as such in the applicable Final Terms or, if no such time is specified, the customary time as of which the Reference Floating Rate is published;

"**Reference Interest Rate**", " $r_{t-1}^u$ ", " $r_{t-1}^{ub}$ " or " $r_{t-1}^{ur}$ " means, in respect of a Relevant Business Day, the fixed rate specified as such in the applicable Final Terms or the Reference Floating Rate for the Relevant Business Day immediately preceding such day as specified in the applicable Final Terms;

"**Relevant Business Day**" means,

- (i) in respect of Index Securities, Share Securities and Currency Securities, a day which is both an Underlying Business Day and a Listing Place Business Day; or
- (ii) in respect of Commodity Securities, a day on which a settlement price is scheduled to be published, which is both an Underlying Business Day and a Listing Place Business Day;

"**Reset Price**" means the price of the relevant Underlying Reference determined by the Calculation Agent by reference to the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant Security during the Unwinding Time Period immediately following the relevant Reset Event Determination Time;

"**Reset Threshold**" means, in respect of an Underlying Business Day, an amount calculated by the Calculation Agent in accordance with the following formula:

- (i) in respect of Bear Certificates that are Index Securities, where dividends on the Index Shares are not reinvested in the relevant Index, or Share Securities:

$$(1 + P_{reset}) \times U_{t-1} - div_t^{gross};$$

- (ii) in respect of Bull Certificates that are Index Securities, where dividends on the Index Shares are not reinvested in the relevant Index, or Share Securities:

$$(1 - P_{reset}) \times U_{t-1} - div_t^{net};$$

- (iii) in respect of Bear Certificates that are Index Securities, where dividends on the Index Shares are reinvested in the relevant Index:

$$(1 + P_{reset}) \times U_{t-1};$$

- (iv) In respect of Bull Certificates that are Index Securities, where dividends on the Index Shares are reinvested in the relevant Index:

$$(1 - P_{reset}) \times U_{t-1} + div_t^{costs};$$

- (v) in respect of Bear Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$(1 + P_{reset}) \times (U_{t-1} + rc_{t-1});$$

- (vi) in respect of Bull Certificates that are Commodity Securities or Index Securities to which Futures Price Valuation applies:

$$(1 - P_{reset}) \times (U_{t-1} + rc_{t-1});$$

- (vii) in respect of Bear Certificate that are Currency Securities:

$$(1 + P_{reset}) \times U_{t-1}; \text{ or}$$

- (viii) in respect of Bull Certificates that are Currency Securities:

$$(1 - P_{reset}) \times U_{t-1},$$

Provided that:

- (x) at the Calculation Time<sub>t</sub> (or such other relevant time at which the Underlying Price<sub>t</sub> is determined) on such Relevant Business Day, the "Reset Threshold" calculated pursuant to paragraphs (iii), (vi), (vii) and (viii) above will be reset and calculated as provided above except that references to "U<sub>t-1</sub>" will be deemed to be references to "U<sub>t</sub>" and, in the case of paragraphs (iii) and (vi) above, references to "rc<sub>t-1</sub>" will be deemed to be references to "rc<sub>t</sub>"; and
- (y) the Reset Threshold will be reset on occurrence of each Reset Event and will be calculated in accordance with the Reset Threshold formula, except that:
- (i) U<sub>t-1</sub> is the Reset Price last calculated before the relevant Reset Event Determination Time;
- (ii)  $div_t^{net}$ ,  $div_t^{gross}$  or  $div_t^{costs}$ , as the case may be, is equal to (0) zero; and
- (iii) rc<sub>t-1</sub> is equal to zero.

"Reset Threshold Percentage" or "**P<sub>reset</sub>**" means the percentage specified as such in the applicable Final Terms;

"Rollover Costs<sub>t</sub>" or "**rc<sub>t</sub>**" means, in respect of a Relevant Business Day, (i) where the Relevant Business Day is not a Futures Rollover Date, zero, or (ii) where the Relevant Business Day is a Futures Rollover Date, an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated pro rata amongst the Securities;

**"Rollover Costs<sub>t-1</sub>"** or **" $rc_{t-1}$ "** means, in respect of a Relevant Business Day, (i) where the immediately preceding Relevant Business Day is not a Futures Rollover Date, zero, or (ii) where the immediately preceding Relevant Business Day is a Futures Rollover Date, an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated pro rata amongst the Securities;

**"Settlement Currency"** means the currency specified as such in the applicable Final Terms;

**"Settlement Price"** has the meaning given it in the applicable Annex to the Terms and Conditions except that (x) in the case of Commodity Securities, references to "Pricing Date" and (y) in the case of Currency Securities, references to "Settlement Price Date", shall in each case be deemed to be references to the "Relevant Business Day";

**"Underlying Business Day"** means an Exchange Business Day (in respect of Index Securities or Share Securities), a Commodity Business Day (in respect of Commodity Securities) or a day, excluding Saturday and Sunday, starting from (and including) 00:00:01 a.m. (CET) to (and including) 11:59:59 p.m. (CET) on such day (in respect of Currency Securities);

**"Underlying Price<sub>t</sub>"** or **" $U_t$ "** means, in respect of a Relevant Business Day and subject as provided in Payout Condition 1.1(h):

- (i) in respect of Index Securities, Share Securities, Commodity Securities or Currency Securities, the Settlement Price on such Relevant Business Day; or
- (ii) in respect of Index Securities to which Futures Price Valuation applies, (i) if the Relevant Business Day is the Valuation Date in respect of the relevant Security, the Settlement Price on such Relevant Business Day, or (ii) if the Relevant Business Day is not the Valuation Date in respect of the relevant Security, the Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the First Traded Price in each case on such Relevant Business Day;

**"Underlying Price<sub>t-1</sub>"** or **" $U_{t-1}$ "** means, in respect of a Relevant Business Day, the Underlying Price<sub>t</sub> for the Relevant Business Day immediately preceding such day; and

**"Unwinding Time Period"** means a cumulative period of twelve hours:

- (i) in respect of Index Securities, Share Securities or Commodity Securities, the Underlying Reference is quoted on the relevant Exchange;
- (ii) in respect of Currency Securities, the Underlying Reference is quoted on the Relevant Screen Page; or
- (iii) in respect of Index Securities to which Futures Price Valuation applies, the relevant Exchange-traded Contract is quoted on the relevant Futures or Options Exchange.

The Unwinding Time Period shall occur during the opening hours of the relevant Exchange (in respect of Index Securities, Share Securities or Commodity Securities), the opening hours of the relevant Futures or Options Exchange (in respect of Index Securities to which Futures Price Valuation applies) or on each day, excluding Saturday and Sunday, starting from (and including) 00:00:01 a.m. (CET) to

(and including) 11:59:59 p.m. (CET) on such day (in respect of Currency Securities). If, in respect of a Reset Event, the period between the occurrence of the latest Reset Event Determination Time and the official closing time of the relevant Exchange (in respect of Index Securities, Share Securities or Commodity Securities) or Futures or Options Exchange (in respect of Index Securities to which Futures Price Valuation applies) or the period during which the Underlying Reference is quoted on the Relevant Screen Page (in respect of Currency Securities) would otherwise include a day that is not an Underlying Business Day, then the period for determining the Reset Price shall be extended to the following Underlying Business Day, until a full period equal to the Unwinding Time Period has passed since the most recent Reset Event Determination Time.

## 1.6 Issuer Call Option Payouts

The following Issuer Call Option Payout (a "**Call Payout**") shall apply to the Securities if specified in the applicable Final Terms:

### Call Payout 2300

If Call Payout 2300 is specified as applicable in the applicable Final Terms, the Call Payout shall be calculated on the same basis as ETS Final Payout 2300, save that references to "Valuation Date" therein and in the related provisions shall be deemed to be references to "the relevant Optional Redemption Valuation Date".

## 2. SPS PAYOUTS

General definitions in relation to SPS Payouts are set out below in Condition 2.4 of the Payout Conditions.

### 2.1 Final Payouts

The following final payouts (each a "**Final Payout**") shall apply to the Securities if specified in the applicable Final Terms:

#### (a) SPS Final Payout 3000 – Reverse Convertibles Securities

If SPS Final Payout 3000 - Reverse Convertible Securities is specified as applicable in the applicable Final Terms, the Final Payout per Certificate is the amount in Settlement Currency, determined by the Calculation Agent as:

(i) if no Knock-in Event has occurred:

$NA \times \text{Constant Percentage 1}$

(ii) else:

$NA \times \text{MAX}[\text{Constant Percentage 2} - \text{Gearing} \times \text{Put Option}; 0\%]$

Where:

"**Put Option**" means:

$\text{Min} \left[ \text{Max} \left( \text{Strike Percentage} - \text{Final Underlying Reference Value}, \text{Floor Percentage} \right), \text{Cap Percentage} \right]$

***Description of Payout and explanation of how the value of investment is affected by the value of the underlying***

*The Payout will be an amount per Certificate in the Settlement Currency equal to:*

- *if no Knock-in Event has occurred, the Notional Amount per Certificate, multiplied by the Constant Percentage 1 (plus the applicable coupon rate - if any - as specified in the Final Terms);*
- *if a Knock-in Event has occurred, the Notional Amount per Certificate, multiplied by the difference (if positive) of (i) Constant Percentage 2 and (ii) 100% (Gearing) of the Put Option. The Put Option, is determined by the difference between (i) the Strike Percentage and (ii) the performance of the Underlying Reference (calculated as being the Final Underlying Reference Value) such difference been floored at the Floor Percentage and capped at the Cap Percentage;*
- *Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Securities, when FX Conversion is specified as applicable in the Final Terms.*

***Graphical examples***

*The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios but **do not** depict every possible outcome or return. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.*

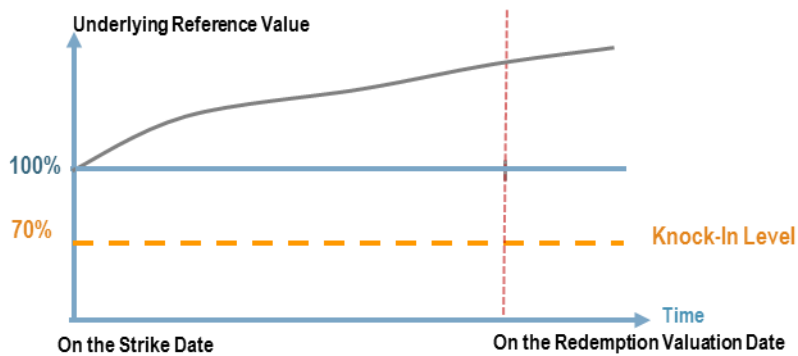
***In the following scenarios:***

- *Gearing is equal to 100%;*
- *Strike Percentage is equal to 100%;*
- *Constant Percentage 1 is equal to 100%;*
- *Constant Percentage 2 is equal to 100%;*
- *Floor Percentage is equal to 0%;*
- *Knock-in Level is equal to 70%*
- *Cap Percentage is equal to 100%;*
- *One Knock-in Determination Day being the Redemption Valuation Date (for the avoidance of doubt, there might be multiple Knock-in Determination Days).*

***Positive scenario:***

**The Underlying Reference performs positively and no Knock-in Event has occurred.**

*The Underlying Reference performs positively; the Underlying Reference Value on the Redemption Valuation Date is above its initial value and no Knock-in Event has occurred, which allows the Holder of Securities to benefit from capital protection (i.e. 100% in this example).*

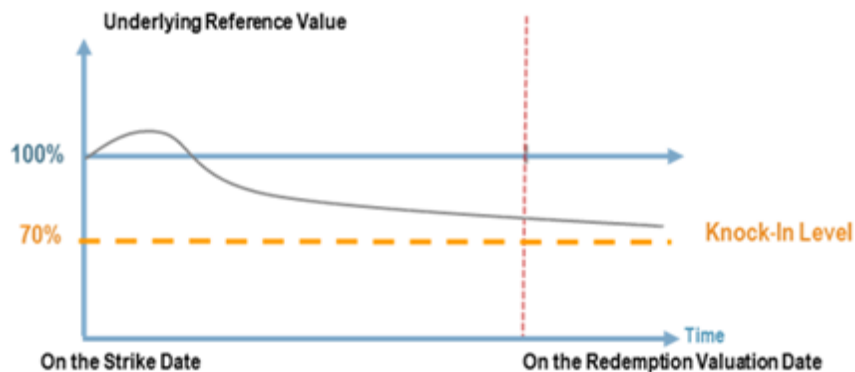


The Holder of Securities will receive an amount equal to the Notional Amount per Certificate, multiplied by (i) the Constant Percentage 1 (i.e. 100% in this example) plus (ii) the applicable coupon rate (if any).

**Neutral scenario:**

**Negative performance of the Underlying Reference but no Knock-in Event has occurred.**

*The Underlying Reference Value (75% in the example) on the Redemption Valuation Date is less than its initial value but above the Knock-in Level. Therefore no Knock-in Event has occurred.*



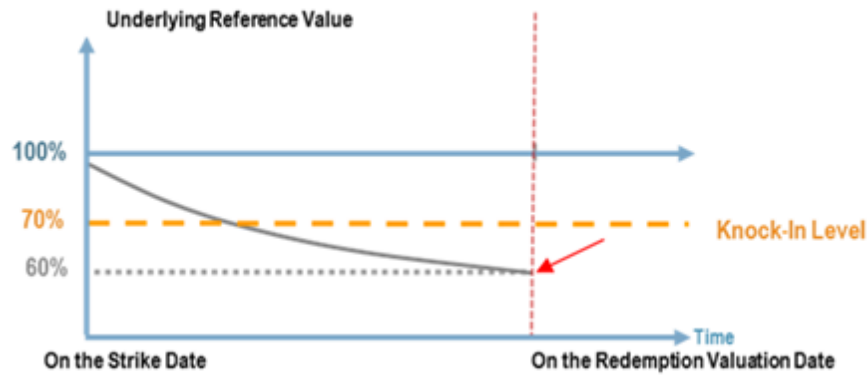
The Holder of Securities will receive an amount equal to the Notional Amount per Certificate, multiplied by (i) the Constant Percentage 1 (i.e. 100% in this example) plus (ii) the applicable coupon rate (if any).

**Negative scenario:**

**Negative performance of the Underlying Reference and a Knock-in Event has occurred.**

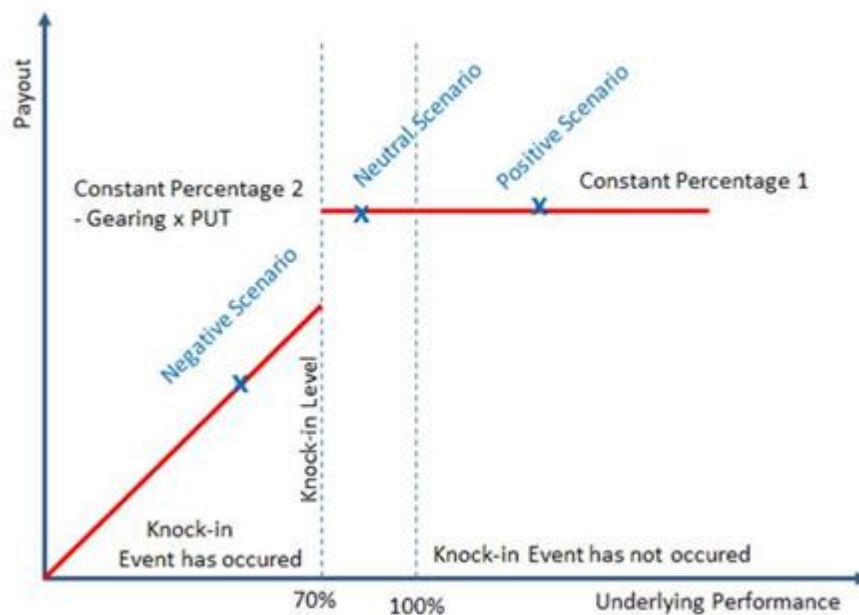
*On the Redemption Valuation Date the Underlying Reference Value is less than its initial level (60% in this example) and below the Knock-in Level. Therefore a Knock-in Event has occurred.*





The Holder of Securities will receive an amount equal to the Notional Amount per Certificate, multiplied by (i) the difference of (x) the Constant Percentage 2 minus (y) 100% (Gearing) of the value of the "Put Option" (equal to 60% in this example, calculated as  $60\% = 100\% - 100\% \times \text{Max}[(100\% - 60\%); 0\%]$ ) plus (ii) the applicable coupon rate (if any). The Holder of Securities has made a loss as the Underlying Reference has performed negatively and at a lower level than the Knock-in Level in this specific case.

**Illustration for all three scenarios**



**(b) SPS Final Payout 3001 – Vanilla Call Securities**

If SPS Final Payout 3001 - Vanilla Call Securities is specified as applicable in the applicable Final Terms:

$$\text{NA} \times \left[ \text{Constant Percentage 1} + \text{Gearing} * \text{Max} \left( \text{Final Underlying Reference Value} - \text{Strike Percentage} ; \text{Floor Percentage} \right) \right]$$

***Description of Payout and explanation of how the value of investment is affected by the value of the underlying***

- *The Payout per Certificate will be an amount in the Settlement Currency equal to the Notional Amount per Certificate, multiplied by the sum of (i) the Constant Percentage 1 and (ii) 100% (Gearing) of the excess of the performance of the Underlying Reference (calculated as the Final Underlying Reference Value) over the Strike Percentage, subject to a Floor Percentage.*
- *Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Securities, when FX Conversion is specified as applicable in the Final Terms.*

***Graphical examples***

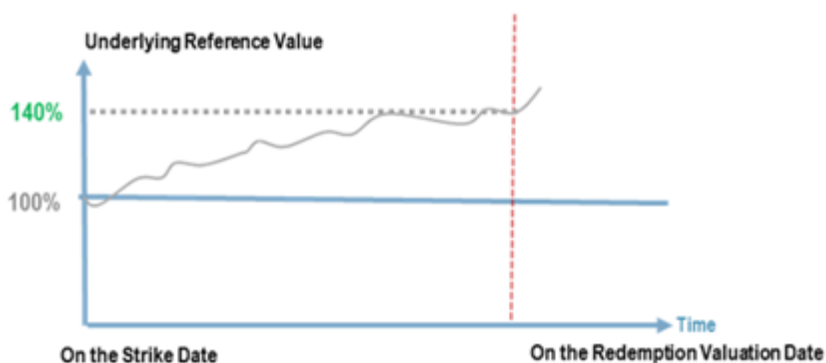
*The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios but **do not** depict every possible outcome or return. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.*

*In the following scenarios:*

- *Gearing is equal to 100%;*
- *Strike Percentage is equal to 100%;*
- *Constant Percentage 1 is equal to 100%;*
- *Floor Percentage is equal to 0%.*

**Positive scenario:**

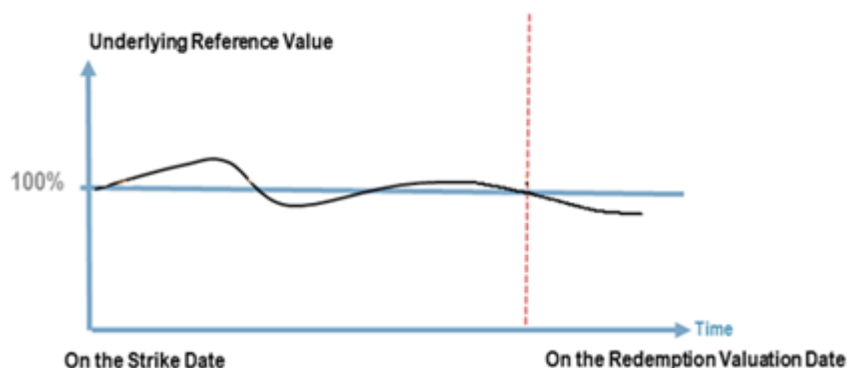
*The Underlying Reference performs positively; the Underlying Reference Value on the Redemption Valuation Date is above the Strike Percentage.*



On the Redemption Date, the Holder of the Certificate will receive an amount equal to the Notional Amount per Certificate, multiplied by the sum of (i) the Constant Percentage 1 and (ii) 100% (Gearing) of the performance of the Underlying Reference Value (i.e.  $140\% = 100\% + 100\% \times (140\% - 100\%)$  in this example) plus the applicable coupon rate (if any), such performance being calculated as the difference between the Final Underlying Reference Value and the Strike Percentage. The Holder of Securities has made a gain as the Underlying Reference has performed positively.

**Neutral scenario:**

*The Underlying Reference Value on the Redemption Valuation Date is equal to the Strike Percentage.*

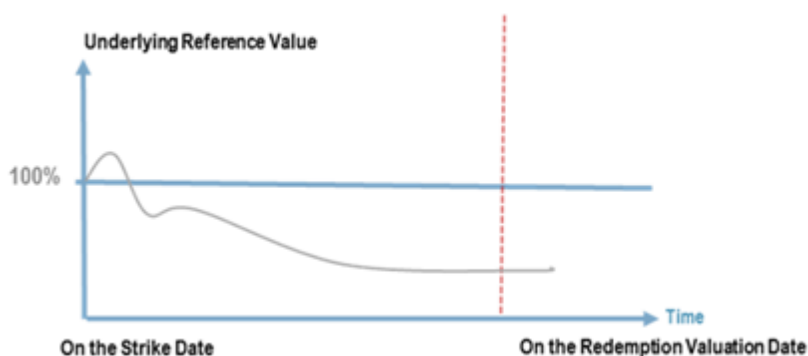


On the Redemption Valuation Date, the Underlying Reference Value is equal to the Strike Percentage (so neither a positive or negative performance of the Underlying Reference), then the Holder of Securities will receive an amount equal to the Notional Amount per Certificate, multiplied by the sum of (i) a fixed percentage (i.e. 100% in this example) equal to the sum of the Constant Percentage 1 (i.e. 100%) plus (ii) the applicable coupon rate (if any). In case the Floor Percentage is above 0%, then the Holder of the Certificate will receive additionally the Floor Percentage, multiplied with the Gearing.

**Negative scenario:**

*The Underlying Reference performs negatively;*

*The Underlying Reference Value on the Redemption Valuation Date is less than Strike Percentage.*



In this scenario, Holder of Securities will benefit from capital protection: on the Redemption Date, the Holder of Securities will receive an amount equal to the Notional Amount per Certificate, multiplied by sum of (i) the Constant Percentage 1 (i.e. 100%) plus (ii) the applicable coupon rate (if any). In case the Floor Percentage is above 0%, then the Holder of the Certificate will receive additionally the Floor Percentage, multiplied with the Gearing.

## 2.2 Automatic Early Redemption Payout

If Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the following Automatic Early Redemption payout (each an "**Automatic Early Redemption Payout**") shall apply to the Securities if specified in the applicable Final Terms:

### **SPS Automatic Early Redemption Payout**

If SPS Automatic Early Redemption Payout is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Payout per Certificate for the relevant Automatic Early Redemption Date is the amount in Settlement Currency, determined by the Calculation Agent as:

$$NA \times (\text{AER Redemption Percentage} + \text{AER Rate}(i))$$

Where:

"**AER Redemption Percentage**" means the percentage specified as such in the applicable Final Terms; and

"**AER Rate(i)**" means the rate or the rates (if different rates apply for different Automatic Early Redemption Valuation Dates(i)) specified as such or determined in the manner set out in the applicable Final Terms.

## 2.3 Coupon Rate Payouts

The following Coupon Rate(s) will apply to the Securities if specified in the applicable Final Terms:

### (a) **Coupon Rate Payout 3000/1 - Digital Coupon**

If Coupon Rate Payout 3000/1 - Digital Coupon is specified as applicable in the applicable Final Terms:

- (i) If the Digital Coupon Condition is satisfied in respect of Interest Valuation Date<sub>(i)</sub>:

$$NA \times \text{Rate}_{(i)}; \text{ or}$$

- (ii) if the Digital Coupon Condition is not satisfied in respect of Interest Valuation Date<sub>(i)</sub>:

$$NA \times \text{zero.}$$

Where:

"**Digital Coupon Condition**" means that the Underlying Reference Value, is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level in respect of the relevant Interest Valuation Date.

"**Barrier Level**" means the number, amount or percentage specified as such in the applicable Final Terms.

### *Description of Coupon Rate Payout 3000/1 - Digital Coupon*

*A Digital Coupon provides that the Securities bear or pay interest at a specified rate for a relevant period if the Digital Coupon Condition is met. If the Digital Coupon Condition is not met then the Securities will pay no interest for the relevant period.*

(b) **Coupon Rate Payout 3000/2 – Snowball Digital Coupon**

If Coupon Rate Payout 3000/2 - Snowball Digital Coupon is specified as applicable in the applicable Final Terms:

- (i) if the Snowball Digital Coupon Condition is satisfied in respect of Interest Valuation Date<sub>(i)</sub>:

$$NA \times (Rate_{(i)} + SumRate_{(i)}); \text{ or}$$

- (ii) if the Snowball Digital Coupon Condition is not satisfied in respect of Interest Valuation Date<sub>(i)</sub>:

$$NA \times \text{zero.}$$

Where:

"**Snowball Date**" means each date on which the relevant Snowball Digital Coupon Condition is satisfied;

"**Snowball Digital Coupon Condition**" means that the Underlying Reference Value is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Snowball Level in respect of the relevant Interest Valuation Date;

"**Snowball Level**" means the number, amount or percentage specified as such in the applicable Final Terms; and

"**SumRate<sub>(i)</sub>**" means the sum of Rate<sub>(i)</sub> for each Interest Valuation Date, in the period from (but excluding) the last occurring Snowball Date (or if none the Issue Date) to (but excluding) the relevant Interest Valuation Date.

**Description of Coupon Rate Payout 3000/2 - Snowball Digital Coupon**

*A Snowball Digital Coupon provides that the Securities bear or pay interest on the basis of a Snowball Digital Coupon Condition being met, with a memory effect which allows any interest not paid in respect of a relevant period to be paid at a later date if certain conditions are met.*

**Graphical examples**

*In the below examples, the Snowball Digital Coupon.*

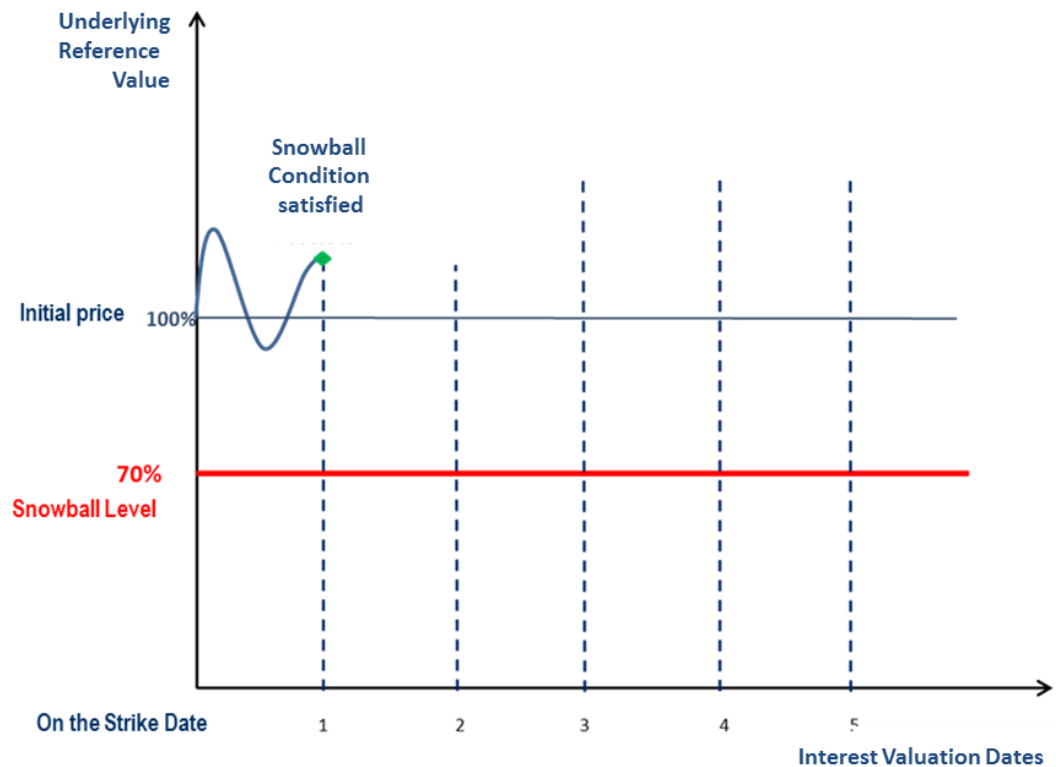
*In these illustrative examples:*

- *the Snowball Digital Coupon Condition is satisfied when the Underlying Reference Value (in the present example the performance of a Share) for the relevant Interest Valuation Date (each annual observation date (i) from 1 to 5) is equal to or greater than the Snowball Level (70%); and*

- The Rate is 6.5%.

***Illustration of the Snowball Digital Coupon:***

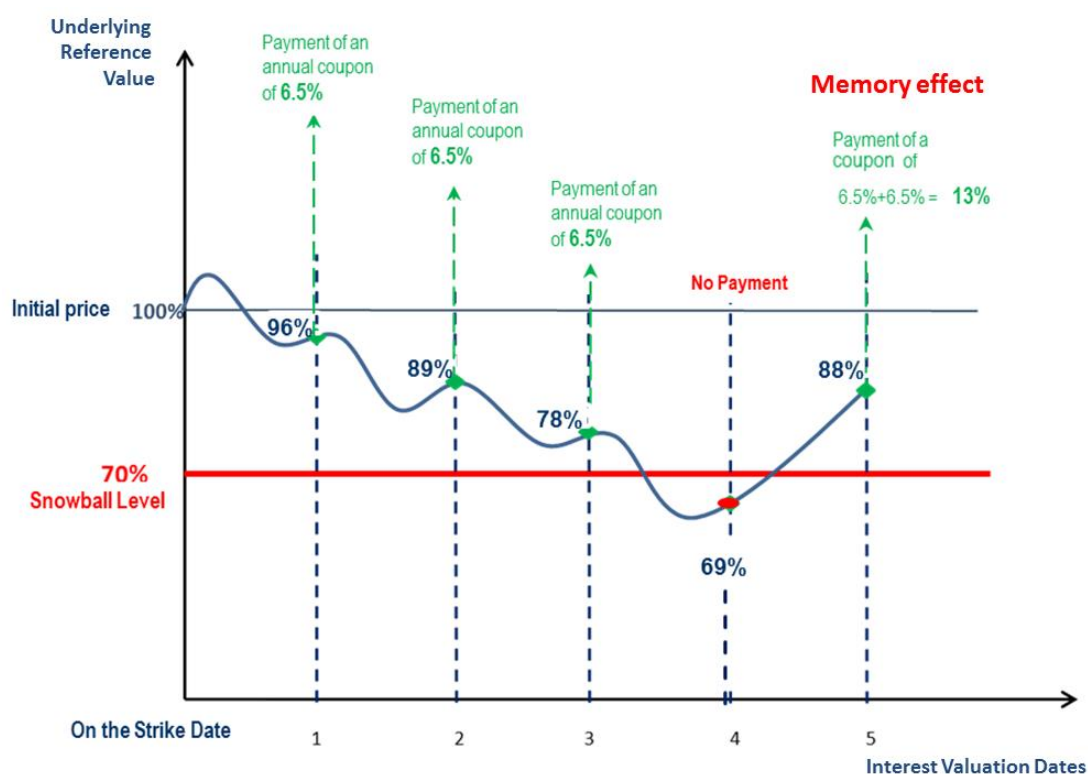
The Underlying Reference Value is greater than the Snowball Level on the first annual Valuation Date.



On the first Interest Valuation Date, the Underlying Reference Value is (i) greater than the Snowball Level, the Snowball Digital Coupon Condition is satisfied, then a coupon will be paid ( $\text{Rate}_{(i=1)} = 6.5\%$ ;  $\text{SumRate}_{(i=1)} = 0\%$ ). The coupon received by the Holder of the Certificate is 6.5% of the Notional Amount per Certificate.

***Illustration of the memory effect:***

The Underlying Reference Value is greater than the Snowball Level on the first three annual Valuation Dates, below the Snowball Level on the fourth Interest Valuation Date and greater than the Snowball Level on the last Interest Valuation Date.



On each Interest Valuation Date(i) from 1 to 3, the Underlying Reference Value is greater than 70%, then the Snowball Digital Coupon (i) will be equal to 6.5%. The Snowball Date will be each relevant Interest Valuation Date (i) from 1 to 3 and the Holder of Securities will receive a coupon rate of 6.5% of the Notional Amount per Certificate on each relevant Interest Payment Date (i) from 1 to 3.

On the fourth Interest Valuation Date (i=4), the Underlying Reference Value is less than 70%, then the Snowball Digital Coupon Condition is not satisfied and the Snowball Digital Coupon is zero, no coupon will be paid with respect to the fourth Interest Valuation Date (i=4) and the Snowball Date is the third Interest Valuation Date (i=3).

On the fifth (last) Interest Valuation Date, the Underlying Reference Value is greater than 70%, then the Snowball Digital Coupon (i) will be equal to the sum of the 6.5% coupon for the fifth Interest Valuation Date (i=5) and the coupon of 6.5% which has not been paid in the previous year 4 (i=4) (the memory effect).

Therefore, on the last Interest Payment Date, the Holder of Securities will receive a Snowball Digital Coupon of 13% (being equal to 6.5% + 6.5% due to the memory effect) of the Notional Amount per Certificate.

## 2.4 General Definitions for SPS Payouts

**"Cap Percentage"** means the percentage equal to, or higher than, 0% of the Strike Level as specified in the applicable Final Terms, which is used in SPS Final Payout 3000 - Reverse Convertible Securities (if a Knock-in Event has occurred) to limit the value of the optional component. The Put Option will apply and possibly reduce the Payout, such Put Option being capped by the Cap Percentage. A lower Cap Percentage results in a higher potential amount payable under the Payout. A higher Cap Percentage results in a lower potential amount payable under the Payout;

**"Constant Percentage 1"** means the percentage, specified as such in the applicable Final Terms, which is used to calculate the fixed component of the SPS Final Payout 3000 – Reverse Convertible Securities (in case no Knock-in Event has occurred) or of the SPS Final Payout 3001 – Vanilla Call Securities. A lower Constant Percentage 1 results in a lower potential amount payable under the Payout. A higher Constant Percentage 1 results in a higher potential amount payable under the Payout;

**"Constant Percentage 2"** means the percentage, specified as such in the applicable Final Terms, which is used to calculate the optional component of the SPS Final Payout 3000 – Reverse Convertible Securities (if a Knock-in Event has occurred). A lower Constant Percentage 2 results in a lower potential amount payable under the Payout. A higher Constant Percentage 2 results in a higher potential amount payable under the Payout;

**"Final Underlying Reference Value"** means, in respect of an Underlying Reference, the Underlying Reference Value on the Redemption Valuation Date;

**"Floor Percentage"** means the percentage, specified as such in the applicable Final Terms, which is used to floor the optional component of the SPS Final Payout 3000 – Reverse Convertible Securities (if a Knock-in Event has occurred) or of the SPS Final Payout 3001 – Vanilla Call Securities. In the case of the SPS Final Payout 3000 – Reverse Convertible Securities, assuming a positive Gearing, a lower Floor Percentage results in a higher potential amount payable under the Payout and a higher Floor Percentage results in a lower potential amount payable under the Payout. In the case of the SPS Final Payout 3001 – Vanilla Call Securities, assuming a positive Gearing, a lower Floor Percentage results in a lower potential amount payable under the Payout and a higher Floor Percentage results in a higher potential amount payable under the Payout;

**"Gearing"** means the percentage, specified as such in the applicable Final Terms, which is used to calculate the optional component of the SPS Final Payout 3000 – Reverse Convertible Securities (if a Knock-in Event has occurred) or of the SPS Final Payout 3001 – Vanilla Call Securities. Such multiplication factor is used to determine the exposure of the Security to the optional component of such Payouts. In the case of the SPS Final Payout 3000 – Reverse Convertible Securities, a lower Gearing results in a higher potential amount payable under the Payout and a higher Gearing results in a lower potential amount payable under the Payout. In the case of the SPS Final Payout 3001 – Vanilla Call Securities, a lower Gearing results in a lower potential amount payable under the Payout and a higher Gearing results in a higher potential amount payable under the Payout;

**"NA"** means, in respect of a Certificate, the Notional Amount per Certificate, as specified in the applicable Final Terms;

**"Rate<sub>(i)</sub>"** means, in respect of an Interest Valuation Date; the fixed rate specified in the applicable Final Terms; and

**"SPS Valuation Date"** means each Valuation Date, Knock-in Determination Day, Automatic Early Redemption Valuation Date or Strike Date, specified as such in the applicable Final Terms;

**"Strike Percentage"** means the percentage, specified as such in the applicable Final Terms, used as strike in the optional component of the SPS Final Payout 3000 – Reverse Convertible Securities (if a Knock-in Event has occurred) or of SPS Final Payout 3001 – Vanilla Call Securities. In the case of the SPS Final Payout 3000 – Reverse Convertible Securities, a lower Strike Percentage results in a higher potential amount payable under the Payout and a higher Strike Percentage results in a lower potential amount payable under the Payout. In the case of the SPS Final Payout 3001 – Vanilla Call Securities, a lower Strike Percentage results in a higher potential amount payable under the Payout and a higher Strike Percentage results in a lower potential amount payable under the Payout;



**"Underlying Reference"** means, for the purposes of the ETS Payouts, each Index, Share, ETI Debt Instrument, Commodity, Commodity Index, Subject Currency, Future or other basis of reference to which the relevant Securities relate; and

**"Underlying Reference Value"** means, (i) the Single Underlying Reference Value or (ii) the Basket Value or (iii) the Best Value or (iv) the Worst Value.

## **2.5 Basic Value Definition for SPS Payouts**

**"Best Value"** means, in respect of a SPS Valuation Date, the highest Single Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Worst Value"** means, in respect of a SPS Valuation Date, the lowest Single Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Basket Value"** means, in respect of a SPS Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Single Underlying Reference Value for such Underlying Reference in respect of such SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

**"Underlying Reference Weighting"** means, in respect of an Underlying Reference, the number, amount or percentage specified as such for such Underlying Reference in the applicable Final Terms;

**"Single Underlying Reference Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

**"FX Value"** means, in respect of an Underlying Reference and a day, Underlying Reference FX Level for such day divided by Underlying Reference FX Strike Level;

**"Underlying Reference FX Level"** means, in respect of an Underlying Reference and a day, the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Underlying Reference on such day;

**"Underlying Reference FX Strike Level"** means in respect of an Underlying Reference: (a) the rate specified as such in the applicable Final Terms; or (b) if FX Closing Level is specified as applicable in the applicable Final Terms, the Underlying Reference FX Level for such Underlying Reference on the Strike Date;

**"Underlying Reference Closing Price Value"** means, in respect of a SPS Valuation Date:

- (i) if the relevant Underlying Reference is an Index or Custom Index, the Closing Level;
- (ii) if the relevant Underlying Reference is a Share, the Closing Price;
- (iii) if the relevant Underlying Reference is an ETI, the Closing Price;

in each case in respect of such day;

**"Underlying Reference Strike Price"** means, in respect of an Underlying Reference: (i) the amount specified as such in the applicable Final Terms; or (ii) if Strike Price Closing Value is specified as

applicable in the applicable Final Terms, the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date;

**"Underlying Reference Intraday Value"** means (i) the Single Underlying Reference Intraday Value or (ii) the Best Intraday Value or (ii) the Worst Intraday Value;

**"Best Intraday Value"** means, in respect of a SPS Valuation Date, the highest Single Underlying Reference Intraday Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

**"Worst Intraday Value"** means, in respect of a SPS Valuation Date, the lowest Single Underlying Reference Intraday Value for any Underlying Reference in respect of such SPS Valuation Date;

**"Single Underlying Reference Intraday Value"** means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price, and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

**"Underlying Reference Intraday Price Value"** means: (a) if the relevant Underlying Reference is an Index, the Intraday Level; or (b) if the relevant Underlying Reference is a Share, the Intraday Price; or (c) if the relevant Underlying is an ETI, the Intraday Price;

**"Intraday Price"** means, in respect of a Share and any time on a Scheduled Trading Day, the published or quoted price of such Share at such time on such day as determined by the Calculation Agent, subject as provided in Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" is specified as applicable); and

**"Intraday Level"** means, in respect of an Index and any time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent, subject as provided in Index Condition 3 (Adjustments to an Index).

### 3. **FORMULAE CONSTITUENTS AND COMPLETION**

The constituent parts (each a **"Formula Constituent"**) of any formula (each a **"Formula"**) used in the Payout Conditions and which are to be specified in the applicable Final Terms may be replaced in the applicable Final Terms by the prescribed amount, level, percentage or other value, as applicable for such Formula Constituent.

If a Formula Constituent has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant Securities, then the related Formula may be simplified in the applicable Final Terms by deleting such Formula Constituent.

### 4. **CALCULATION AGENT**

The calculation or determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Securities shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. Whenever the Calculation Agent is required to make any determination it may, to the extent permitted by any applicable law, *inter alia*, decide issues of construction and legal interpretation. In performing its duties pursuant to the Securities, the Calculation Agent shall, unless otherwise specified, act in good faith and in a commercially reasonable manner. Any delay, deferral or

forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Securities shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability (to the extent permitted by any applicable law) in respect of, or consequent upon, any such delay, deferral or forbearance.

## ANNEX 2

### ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

If specified as applicable in the applicable Final Terms, (a) the additional Terms and Conditions for Index Securities set out below (the "**Index Conditions**") and (b) the terms and conditions applicable to Securities specified in the applicable Final Terms as Index Securities shall comprise terms and conditions of Securities (the "**Conditions**") and the Index Conditions, in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Conditions, as applicable, and (ii) the Index Conditions, the Index Conditions shall prevail. References in the Index Conditions to "Security" or "Securities" shall be deemed to be references to "Security" and "Securities" as the context admits.

#### 1. Definitions

**"Basket of Indices"** means a basket composed of each Index specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant securities;

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Closing Level"** means, in respect of an Index and a Scheduled Trading Day, the official closing level of such Index on such day as determined by the Calculation Agent, subject as provided in Index Condition 3 (Adjustments to an Index);

**"Component Security"** means, in respect of a Composite Index, each component security of such Index;

**"Component Security Index"** means any Index specified as such in the applicable Final Terms or, if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Composite Index"** means any Index which is either a Component Security Index or a Multi-Exchange Index;

**"Disrupted Day"** means:

- (i) in respect of any Composite Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred; and
- (ii) in respect of an Index that is not a Composite Index, any Scheduled Trading Day on which (i) the relevant Exchange and/or any Related Exchange fails to open for trading during its regular trading session or (ii) a Market Disruption Event has occurred;

**"Early Closure"** means:

- (i) in respect of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and
- (ii) in the case of an Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange"** means:

- (i) in the case of a Composite Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and
- (ii) in the case of any Index which is not a Composite Index, in respect of such Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single Index, Exchange Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Exchange Business Day (All Indices Basis) or (ii) Exchange Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Indices Basis) shall apply;

**"Exchange Business Day (All Indices Basis)"** means any Scheduled Trading Day on which:

- (i) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, in respect of such Indices are open for trading during their respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time; or
- (ii) in respect of any Composite Indices:
  - (i) the Index Sponsor publishes the level of such Composite Indices; and

- (ii) either:
  - (a) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Indices is open for trading during its regular trading session; or
  - (b) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Indices is open for trading during its regular trading session,

in each case, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Trading Day on which:

- (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or
- (ii) in respect of a Composite Index:
  - (i) the relevant Index Sponsor publishes the level of such Composite Index; and
  - (ii) either:
    - (a) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or
    - (b) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is open for trading during its regular trading session,

in each case, notwithstanding such Exchange(s) or Related Exchange(s) closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Index Basis)"** means any Scheduled Trading Day on which:

- (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time; or
- (ii) in respect of a Composite Index:
  - (i) the relevant Index Sponsor publishes the level of such Composite Index; and
  - (ii) either:
    - (a) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is open for trading during its regular trading session; or

- (b) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is open for trading during its regular trading session,

in each case, notwithstanding such Exchange(s) or Related Exchange(s) closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means:

- (i) in respect of a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in respect of such Component Security or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (ii) in the case of an Index which is not a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange;

**"Index"** and **"Indices"** mean, subject to adjustment in accordance with this Annex 2, the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Index Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

**"Index Sponsor"** means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms;

**"Intraday Level"** means, in respect of an Index and any time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent, subject as provided in Index Condition 3 (Adjustments to an Index);

**"Multi-Exchange Index"** means any Index specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Related Exchange"** means, in relation to an Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index;

**"Scheduled Trading Day"** means either (a) in the case of a single Index, Scheduled Trading Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Scheduled Trading Day (All Indices Basis) or (ii) Scheduled Trading Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Trading Day (All Indices Basis) shall apply;

**"Scheduled Trading Day (All Indices Basis)"** means any day on which:

- (i) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, in respect of such Indices are scheduled to be open for trading during their respective regular trading session(s); or
- (ii) in respect of any Composite Indices:
  - (i) the Index Sponsor is scheduled to publish the level of such Composite Indices; and
  - (ii) either:
    - (a) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Indices is scheduled to be open for trading during its regular trading session; or
    - (b) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Indices is scheduled to be open for trading during its regular trading session;

**"Scheduled Trading Day (Per Index Basis)"** means, in respect of an Index, any day on which:

- (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s); or
- (ii) in respect of a Composite Index:
  - (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index; and
  - (ii) either:
    - (a) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is scheduled to be open for trading during its regular trading session; or
    - (b) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is scheduled to be open for trading during its regular trading session;

**"Scheduled Trading Day (Single Index Basis)"** means any day on which:

- (i) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s); or



- (ii) in respect of a Composite Index:
  - (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index; and
  - (ii) either:
    - (a) unless Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Related Exchange in respect of such Composite Index is scheduled to be open for trading during its regular trading session; or
    - (b) if Exchange/Related Exchange is specified as applicable in the applicable Final Terms, each Exchange and each Related Exchange, if any, in respect of such Composite Index is scheduled to be open for trading during its regular trading session;

**"Settlement Cycle"** means, in respect of an Index, the period of Clearance System Days following a trade in the security comprising such Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 2 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (i) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price (in the case of Warrants) or in the Index Currency (in the case of Certificates)) equal to the official closing level or official opening level, as specified in the applicable Final Terms, for such Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (ii) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price (in the case of Warrants) or in the Index Currency (in the case of Certificates)) equal to the official closing level or official opening level, as specified in the applicable Final Terms, of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date or if the Securities are ETS 2300 Certificates, an Exchange Business Day and the Valuation Date, as the case may be; and

**"Trading Disruption"** means:

- (i) in respect of a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (ii) in the case of an Index which is not a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or (ii) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

## **2. Market Disruption**

**"Market Disruption Event"** means:

- (i) in respect of a Composite Index either:
  - (i) (A) the occurrence or existence, in respect of any Component Security, of:
    - (B) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
    - (C) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
    - (D) an Early Closure in respect of such Component Security; and
  - (ii) in respect of a Multi-Exchange Index only, the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
  - (iii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (A) a Trading Disruption; (B) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange; or (C) an Early Closure, in each case in respect of such futures or options contracts.

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

- (ii) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (A) the portion of the level of such Index attributable to that security and (B) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

### **3. Adjustments to an Index**

#### **3.1 Successor Index Sponsor Calculates and Reports an Index**

If a relevant Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

#### **3.2 Modification and Cessation of Calculation of an Index**

If (a) on or prior to the Strike Date, the last Averaging Date, the last Observation Date or the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (b) on the Strike Date, an Averaging Date, an Observation Date or a Valuation Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then:

- (a) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant value, level or price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on the Strike Date, that Valuation Date, that Observation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or
- (b) the Calculation Agent may replace the relevant Index with a new similar index, multiplied, if need be by a linking coefficient to ensure continuity in the condition of the underlying of the Securities; or

- (c) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Index Adjustment Event constitutes a force majeure, and if Index Condition 3.2(c)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- (d) in the case of Certificates:
- (i) unless Delayed Redemption on Occurrence of Index Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner made in such manner as shall be notified to the Holders in accordance with Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate

the fair market value of each Security taking into account the Index Adjustment Event (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Redemption Date, at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount (in the case of a Certificate); or

- (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
- (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay an amount to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (vi) if the Calculation Agent determines that such Index Adjustment Event constitutes a force majeure, and if Index Condition 3.2(d)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

Notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

### 3.3 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to paragraph 3.2 above and the action proposed to be taken in relation thereto and such Security Agent shall make available for inspection by Holders copies of any such determinations.

#### 4. **Correction of Index**

If the level of the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor, (a) in respect of a Composite Index, no later than five Exchange Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the level to be used shall be the level of the Index as so corrected, except that any corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

#### 5. **Custom Index**

Index Conditions 6 to 8 apply if "Custom Index" is specified as applicable in the applicable Final Terms. In the event of any inconsistency between the provisions of Index Conditions 6 to 8 and the other Index Conditions, the provisions of Index Conditions 6 to 8 shall prevail.

#### 6. **Adjustments to a Custom Index and Custom Index Disruption**

##### 6.1 **Successor Index Sponsor Calculates and Reports an Index**

If a relevant Custom Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Custom Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

##### 6.2 **Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption**

If (a) on or prior to the Strike Date, the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels a relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on the Strike Date, a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption Event**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (a) in the case of Custom Index Securities relating to a single Custom Index where Scheduled Custom Index Business Days (Single Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as

the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring, unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption Event and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index;

(ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date), the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:

(A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, a Valuation Date, an Averaging Date or an Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date, a Valuation Date or an Observation Date, as the case may be) unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date, Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Valuation Date, Averaging Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date, a Valuation Date or an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date, a Valuation Date or an Observation Date, as the case may be) and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with Condition 10 and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - I. if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - II. if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - III. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Condition 6.2(a)(ii)(D)III is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - IV. otherwise, pay an amount to each Holder in respect of each Warrant or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market



value of a Warrant or Unit, as the case may be, taking into account the Custom Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or

(E) in the case of Certificates:

- I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date at a rate equal to the Issuer's funding cost at such time; or
- III. if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
- IV. if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with

Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or

V. if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay an amount to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or

VI. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Condition 6.2(a)(ii)(E)VI is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or

(F) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

(b) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (All Indices Basis) is specified as applicable in the applicable Final Terms, then:

(i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring in respect of any Custom Index (each an "**Affected Custom Index**") on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring in respect of any of the Custom Indices in the Basket of Custom Indices, unless there is a Custom Index Event in respect of any one of the Custom Indices in the Basket of Custom Indices on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of

Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices, notwithstanding the Custom Index Disruption Event in respect of an Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using (X) in respect of any Custom Index which is not an Affected Custom Index, the method provided for in these Index Conditions and (Y) in respect of any Custom Index in the Basket of Custom Indices which is an Affected Custom Index, commercially reasonable efforts to determine the level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:

- (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date, a Valuation Date or an Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket of Custom Indices shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date, a Valuation Date or an Observation Date, as the case may be) on which a Custom Index Disruption Event is not occurring in respect of any Custom Index (each an "**Affected Custom Index**") comprised in the Basket of Custom Indices unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date, a Valuation Date or an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date, a Valuation Date or an Observation Date, as the case may be) for all Custom Indices in the Basket of Custom Indices and may determine the relevant level, value or price by using (X) in respect of any Custom Index in the Basket of Custom Indices which is not an Affected Custom Index, the method provided for these Security Conditions and (Y) in respect of any Custom Index in the Basket of Custom Indices which is an Affected Custom Index, commercially reasonable efforts to determine a

level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders in accordance with Condition 10 and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - I. if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - II. if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - III. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Condition 6.2(b)(ii)(D)III is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their

fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or

- IV. otherwise, pay an amount to each Holder in respect of each Warrant or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be., taking into account the Custom Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or

(E) in the case of Certificates:

- I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Security Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date at a rate equal to the Issuer's funding cost at such time; or
- III. if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with

Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or

IV. if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or

V. if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay an amount to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or

VI. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Condition 6.2(b)(ii)(E)VI is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or

(F) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket of Custom Indices which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

(c) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (Per Index Basis) is specified as applicable in the applicable Final Terms, then:

(i) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the last Valuation Date, last Averaging Date or last

Observation Date, then the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index not affected by the occurrence of the Custom Index Disruption Event shall be the scheduled last Valuation Date, last Averaging Date or last Observation Date, as the case may be, and the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices affected by the Custom Index Disruption Event (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption Event is not occurring in respect of such Affected Custom Index, unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for the relevant Affected Custom Index and the Calculation Agent shall determine the relevant level, value or price by using commercially reasonable efforts to determine the level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Affected Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption Event (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or a Valuation Date (other than the last Valuation Date) or an Observation Date (other than the last Observation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:

- (A) if the Custom Index Adjustment Event is a Custom Index Disruption Event which occurs or is occurring on the Strike Date, an Averaging Date, a Valuation Date or an Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date, Valuation Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices not affected by the occurrence of the Custom Index Disruption Event shall be the Scheduled Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, and the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, for each Custom Index in the Basket of Custom Indices affected by the Custom Index Disruption Event (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date, a Valuation Date or an Observation Date, as the case may be) on which a Custom Index Disruption Event is not occurring in respect of such Affected Custom Index unless there is a Custom Index Disruption Event on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, in which case the Calculation Agent may

determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date, a Valuation Date or an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date a Valuation Date or an Observation Date, as the case may be) for the relevant Affected Custom index and may determine the relevant level, value or price by using commercially reasonable efforts to determine a level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption Event and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate; or
- (C) the Calculation Agent may determine in good faith and in a commercially reasonable manner such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants, in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - I. if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - II. if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - III. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Condition 6.2(c)(ii)(D)III is specified in the applicable Final



Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or

- IV. otherwise, pay an amount to each Holder in respect of each Warrant or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Custom Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or

(E) in the case of Certificates;

- I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Calculation Agent may require the Issuer to redeem the Securities, which case it will so notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 10. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or

- II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom**

**Index Adjustment Event Amount Determination Date")** and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date at a rate equal to the Issuer's funding cost at such time; or

- III. if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
  - IV. if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
  - V. if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay an amount to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
  - VI. if the Calculation Agent determines that such Custom Index Adjustment Event constitutes a force majeure, and if Index Condition 6.2(c)(ii)(E)VI is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
- (F) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom

Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

### **6.3 Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to Index Condition 6.2 above and the action proposed to be taken in relation thereto and such Security Agent shall make available for inspection by Holders copies of any such determinations.

### **7. Correction of Custom Index**

If the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected, except that any corrections published after the day which is three Scheduled Custom Index Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

### **8. Definitions relating to Custom Indices**

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

"**Banking Day**" means any week day except for 25 December and 1 January in any year;

"**Basket**" and "**Basket of Custom Indices**" means a basket comprised of two or more Custom Indices;

"**Closing Level**" means, in respect of a Custom Index and a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such day as determined by the Calculation Agent, subject as provided in Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

"**Custom Index**" or "**Custom Indices**" mean, subject to adjustment in accordance with this Annex 2, any index or indices specified as such in the applicable Final Terms;

"**Custom Index Business Day**" means either (a) in the case of a single Index, Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, Custom Index Business Day (All Indices Basis) or Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Custom Index Business Day (All Indices Basis) shall apply;

"**Custom Index Business Day (All Indices Basis)**" means any Scheduled Custom Index Business Day (a) on which the level of the Custom Index is calculated and made available and (b) that is a Custom Index Trading Day in respect of all Indices in the Basket of Custom Indices;

**"Custom Index Business Day (Per Index Basis)"** means, in respect of an Index, any Scheduled Custom Index Business Day (a) on which the level of the Custom Index is calculated and made available and (b) that is Custom Index Trading Day;

**"Custom Index Business Day (Single Index Basis)"** means any Scheduled Custom Index Business Day (a) on which the level of the Custom Index is calculated and made available and (b) that is a Custom Index Trading Day;

**"Custom Index Correction Period"** means the period specified in the applicable Final Terms or if none is so specified, ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Custom Index shall be disregarded for the purposes of any calculations to be made using the level of the Custom Index;

**"Custom Index Trading Day"** means, in respect of a Custom Index, any day with respect to which the Issuer and/or any of its Affiliates determines in good faith and in a commercially reasonable manner it is able to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any asset it deems necessary to hedge its obligations in respect of such Custom Index under the Securities;

**"Disrupted Day"** means any Scheduled Custom Index Business Day on which a Custom Index Disruption Event has occurred or is continuing in the sole and absolute discretion of the Calculation Agent;

**"Index Sponsor"** means, in relation to a Custom Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Custom Index and (b) ensures the calculation and publication of the level of such Custom Index on a regular basis (directly or through an agent) in accordance with the rules of the Custom Index, which as of the Issue Date of the Securities is the index sponsor specified for such Custom Index in the applicable Final Terms;

**"Intraday Level"** means, in respect of a Custom Index and any time on a Custom Index Business Day, the level of such Custom Index published by the Index Sponsor in respect of such time or such day as determined by the Calculation Agent, subject as provided in Index Condition 6 (Adjustments to a Custom Index and Custom Index Disruption);

**"Observation Dates"** means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) below shall apply;

**"Observation Period"** means the period specified as the Observation Period in the applicable Final Terms;

**"Scheduled Custom Index Business Day"** means either (a) in the case of a single Index, Scheduled Custom Index Business Day (Single Index Basis) or (b) in the case of a Basket of Custom Indices, Scheduled Custom Index Business Day (All Indices Basis) or Scheduled Custom Index Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Custom Index Business Day (All Indices Basis) shall apply;

**"Scheduled Custom Index Business Day (All Indices Basis)"** means any Banking Day (a) on which the level of the Custom Index is scheduled to be calculated and made available and (b) that is scheduled to be a Custom Index Trading Day in respect of all Custom Indices in the Basket of Custom Indices;

**"Scheduled Custom Index Business Day (Per Index Basis)"** means in respect of an Index, any Banking Day (a) on which the level of the Custom Index is scheduled to be calculated and made available and (b) that is scheduled to be a Custom Index Trading Day;

**"Scheduled Custom Index Business Day (Single Index Basis)"** means any Banking Day (a) on which the level of the Custom Index is scheduled to be calculated and made available and (b) that is scheduled to be a Custom Index Trading Day;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date", as the case may be:

- (i) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Index comprising the Basket of Custom Indices, an amount (which shall be deemed to be a monetary value in the Index Currency) equal to the level for each such Custom Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each such Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (ii) in the case of Index Securities relating to a single Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, any of the "Strike Date", "Knock-in Determination Day", "Knock-out Determination Day", "Observation Date" or the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, twenty (20) Scheduled Custom Index Business Days;

**"Strike Date"** means the date(s) specified as such in the applicable Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) above shall apply;

**"Strike Price"** means, subject as referred to in "Strike Date" above:

- (i) in the case of Index Securities relating to a single Index, an amount equal to the level of the Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the

Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and

- (ii) in the case of Index Securities relating to a Basket of Custom Indices and in respect of each Custom Index comprising the Basket of Custom Indices, an amount equal to the level of each such Custom Index published by the relevant Index Sponsor, in each case as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of such Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date multiplied by the relevant Weighting.

**"Valid Date"** means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

**"Valuation Date"** means, the date (in the case of Warrants), or the Interest Valuation Date and/or Automatic Early Redemption Valuation Date and/or Redemption Valuation Date (in the case of Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time by reference to which the Index Sponsor determines the level of the Index in its sole and absolute discretion.

## **9. Futures Price Valuation**

### **9.1 If "Futures Price Valuation" is specified as applicable in relation to an Index in the applicable Final Terms, in respect of such Index, the following provisions shall apply to these Index Conditions:**

**"First Traded Price"** means, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 2:

- (i) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Certificates)) equal to the Actual First Traded Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on the relevant Exchange Business Day, multiplied by the relevant Weighting; and
- (ii) in case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Certificates)) equal to the Actual First Traded Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on the relevant Exchange Business Day.

**"Settlement Price"** means, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 2:

- (i) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Certificates)) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (ii) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Certificates)) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices any constituent Index) any reference to such Index or constituent Index in the definition of Scheduled Trading Day will be deemed not to apply and instead a Scheduled Trading Day must be a day on which the Official Settlement Price or, if First Traded Price Applicable is specified in the applicable Final Terms, the Actual First Traded Price, as applicable, is published by the relevant Futures or Options Exchange in relation to each such Index to which Futures Price Valuation applies.

Where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices) any constituent Index, an Exchange Business Day must be a day on which the relevant Futures or Options Exchange in relation to each such Index is open for trading during their regular trading session(s), notwithstanding any such Futures or Options Exchange closing prior to its scheduled weekday closing time on such Exchange Business Day, without regard to after hours or any other trading outside of the regular trading session hours.

Notwithstanding the definition of the Valuation Date in the Index Condition 8, the Disrupted Day provisions in the Conditions and/or these Index Conditions will not apply in relation to any Index or (in the case of a Basket of Indices, any Index comprising the Basket) in respect of which Futures Price Valuation applies, unless there is a Non-Commencement or Discontinuance of the Exchange-traded Contract, in which case the Disrupted Day provisions will apply to the relevant Index or constituent Index.

For these purposes:

**"Actual First Traded Price"** means the price at which the relevant Exchange-traded Contract is first traded on the relevant Futures or Options Exchange or its clearing house at or after the Relevant Time specified in the applicable Final Terms as appearing first on the list of prices for such time published on the Relevant Futures or Options Exchange Website (as specified in the applicable Final Terms) or the Relevant FTP Screen Page (as specified in the applicable Final Terms), as applicable, or, if such Relevant Futures or Options Exchange Website or Relevant FTP Screen Page is not available, such

replacement website or page as the Calculation Agent shall select or, subject to Index Condition 9.4 (*Non-Commencement or Discontinuance of an Exchange-traded Contract*), if the Relevant Futures or Options Exchange Website Relevant FTP Screen Page is not available and the Calculation Agent determines that no replacement website or page exists or no such price is published after such time, the price determined by the Calculation Agent in good faith and in a commercially reasonable manner by reference to such sources as it considers appropriate.

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Index Condition 9.2 (Rolling Futures Contract Securities) below.

**"Exchange-traded Contract"** means, in relation to an Index, the futures or options contract(s) specified as such for the Index in the applicable Final Terms, in each case, identified by reference to (a) the Index to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means, in respect of an Index, the relevant exchange specified in the description of the Exchange-traded Contract for such Index in the applicable Final Terms.

**"Futures Rollover Date"** means either:

- (i) the date specified as such in the applicable Final Terms; or
- (ii) the date selected by the Calculation Agent in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Non-Commencement or Discontinuance of the Exchange-traded Contract"** means there is no Official Settlement Price or, if is specified in the applicable Final Terms, the Actual First Traded Price, as applicable, as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to Valuation Date, Observation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Index.

**"Official Settlement Price"** means the official settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

## **9.2 Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Index that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of 9.3 (Adjustments to an Exchange-traded Contract) or 9.4



(Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or, unless Related Hedging is specified as not applicable in the applicable Final Terms, at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Non-Commencement or Discontinuance of the Exchange-traded Contract constitutes a force majeure, and if Index Condition 9.2(a)(iii) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise, pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- (b) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair

market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10;

- (ii) if Delayed Redemption on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount;
- (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
- (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay an amount to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (vi) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, and if Index Condition 9.2(b)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

### 9.3 Adjustments to an Exchange-traded Contract

Without duplication of Index Condition 3 (Adjustments to an Index) or Index Condition 4 (Correction of Index) (which shall govern in the event of a conflict), in the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

### 9.4 Non-Commencement or Discontinuance of an Exchange-traded Contract

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Official Settlement Price or Actual First Traded Price, as applicable, for any Valuation Date, Observation Date, Averaging Date or any other relevant date for valuation or observation, as the case may be, of the relevant Index shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange or, in the case of a Composite Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor, in each case on the Valuation Date, Observation Date, Averaging Date or other relevant date.

Notwithstanding the foregoing, if in respect of ETS 2300 Certificates, if on any Exchange Business Day a Non-Commencement or Discontinuance of the Exchange-traded Contract occurs, then:

- (i) unless Delayed Redemption on Occurrence of a Non-Commencement or Discontinuance of an Exchange-traded Contract, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payments being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- (ii) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract less, if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms);

- (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a);
- (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (vi) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, and if Index Condition 9.4(b)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption;

## **9.5 Correction of the Official Settlement Price or Actual First Traded Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Official Settlement Price or Actual First Traded Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, (a) in respect of a Composite Index, no later than five Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the Official Settlement Price or Actual First Traded Price, as applicable, to be used shall be the Official Settlement Price or Actual First Traded Price, as applicable, as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## ANNEX 3

### ADDITIONAL TERMS AND CONDITIONS FOR SHARE SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Share Securities shall comprise the terms and conditions of Securities (the "**Conditions**") and the additional Terms and Conditions for Share Securities set out below (the "**Share Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Share Conditions, the Share Conditions shall prevail.

#### 1. Definitions

**"Basket Company"** means each company specified as such in the applicable Final Terms and **"Basket Companies"** means all such companies;

**"Basket of Shares"** means (a) a basket composed of Shares of each Basket Company specified in the applicable Final Terms in the weightings or numbers of Shares of each Basket Company specified in the applicable Final Terms or (b) a Relative Performance Basket;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant Share;

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Closing Price"** means, in respect of a Share and a Scheduled Trading Day, the official closing price of such Share on such day as determined by the Calculation Agent, subject as provided in Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" or "Stapled Shares" is specified as applicable in the applicable Final Terms);

**"Disrupted Day"** means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

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

**"Exchange"** means, in respect of a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single Share, Exchange Business Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Exchange Business Day (All Shares Basis) or (ii) Exchange Business Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Share Basis) shall apply;

**"Exchange Business Day (All Shares Basis)"** means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Per Share Basis)"** means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single Share Basis)"** means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Share on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the Share on any relevant Related Exchange;

**"Extraordinary Event Effective Date"** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent in good faith and in a commercially reasonable manner;

**"Intraday Price"** means, in respect of a Share and any time on a Scheduled Trading Day, the published or quoted price of such Share at such time on such day as determined by the Calculation Agent, subject as provided in Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events) (as amended where "GDR/ADR" or "Stapled Shares" is specified as applicable in the applicable Final Terms);

**"Protected Amount"** means the amount specified as such in the applicable Final Terms.

**"Related Exchange"** means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;

**"Relative Performance Basket"** means a basket composed of Shares of each Basket Company specified in the applicable Final Terms where no weighting shall be applicable and where the Cash Settlement Amount shall be determined by reference to the Share which is either (a) the best performing, or (b) the worst performing, in each case as specified in the applicable Final Terms;

**"Scheduled Trading Day"** means either (a) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Scheduled Trading Day (All Shares Basis) or (ii) Scheduled Trading Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per Share Basis) shall apply;

**"Scheduled Trading Day (All Shares Basis)"** means, in respect of a Basket of Shares, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s);

**"Scheduled Trading Day (Per Share Basis)"** means, in respect of a Share, any day on which the relevant Exchange and the relevant Related Exchange in respect of such Share are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single Share Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

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

**"Settlement Price"** means, in relation to each Cash Settled Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 3 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date", as the case may be:

- (i) in the case of Share Securities relating to a Basket of Shares and in respect of each Share comprising the Basket of Shares, an amount equal to the official closing price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or, other than in the case of ETS 2300 Certificates, if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such Share whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such

Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and

- (ii) in the case of Share Securities relating to a single Share, an amount equal to the official closing price, as specified in the applicable Final Terms, (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or other than in the case of ETS 2300 Certificates, if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Share based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date or if the Securities are ETS 2300 Certificates, an Exchange Business Day and the Valuation Date, as the case may be;

**"Shares"** and **"Share"** mean, subject to adjustment in accordance with this Annex 3, in the case of an issue of Securities relating to a Basket of Shares, each share and, in the case of an issue of Securities relating to a single Share, the share, specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Share Company"** means, in the case of an issue of Securities relating to a single Share, the company that has issued such Share;

**"Share Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

**"Stapled Shares"** mean the two or more shares that are attached to each other, such that:



- (a) each such share may not be held, owned, sold, transferred, purchased or otherwise dealt with as an individual share and may only be dealt with as a single unit of such attached shares;
- (b) such attached shares are issued with a single ISIN; and
- (c) where applicable, such attached shares are listed and admitted to trading as a single unit,

each constituent share comprising the Stapled Shares being a "**Stapled Share Constituent**"; and

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

## 2. **Market Disruption**

"**Market Disruption Event**" means, in relation to Securities relating to a single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date as the case may be.

## 3. **Potential Adjustment Events**

"**Potential Adjustment Event**" means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company or Share Company, as the case may be, equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Company or Share Company, as the case may be, as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares;
- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;

- (v) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

Following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10, stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

#### **4. Extraordinary Events**

- 4.1 The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Stapling, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), Conversion Event, or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change or Listing Suspension, as the case may be, shall be deemed to be an **"Extraordinary Event"**, the consequences of which are set forth in Share Condition 4.2:

**"De-Listing"** means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (a) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (b) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

**"Illiquidity"** means, in respect of Share Securities relating to a Basket of Shares, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days, notwithstanding the occurrence of a Disrupted Day, falling after the Issue Date (the **"Relevant Period"**), (a) the difference between the bid prices and the ask prices in respect of a Share during the Relevant Period is greater than 1 per cent. (based on an arithmetic mean average over the Relevant Period), and/or (b) the arithmetic mean average purchase price or the arithmetic mean average selling price, determined by the Calculation Agent from the order book of the relevant Share on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of Shares with a value equal to or greater than EUR 10,000.00, is greater than MID plus 1 per cent. (in relation to a purchase of Shares) or lower than the MID minus 1 per cent. (in relation to a sale of Shares). For these purposes, **"MID"** means an amount equal to (i) the sum of the bid price and the ask price, in each case for the relevant Share at the relevant time, (ii) divided by two.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Company or Share Company, as the case may be, (a) all the Shares of that Basket Company or Share Company, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

**"Listing Change"** means, in respect of any relevant Shares, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such Shares were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Offer).

**"Listing Suspension"** means, in respect of any relevant Shares, that the listing of such Shares on the Exchange has been suspended.

**"Merger Event"** means, in respect of any relevant Shares, any:

- (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person,
- (ii) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding),
- (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or

an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or

- (iv) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates).

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

**"Stapling"** means, in the determination of the Calculation Agent, a Share becomes a Stapled Share Constituent.

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the Basket Company or Share Company, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

#### **4.2 Consequences of the occurrence of an Extraordinary Event:**

If an Extraordinary Event occurs in relation to a Share, the Issuer acting in good faith and in a commercially reasonable manner may take the action described in (a), (b), (c) (in the case of Warrants), (d) (in the case of Certificates) or (e) (in each case, if applicable) or, in the case of Securities relating to a Basket of Shares (f) below:

- (a) require the Calculation Agent to determine in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of subparagraph (f) below;

- (b) in the case of Share Securities relating to a Basket of Shares, cancel (in the case of Warrants) or redeem (in the case of Certificates) in part by giving notice to Holders in accordance with Condition 10. If the Securities are so cancelled or redeemed, as the case may be, in part the portion (the "**Settled Amount**") of each Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, representing the affected Share(s) shall be cancelled or redeemed, as the case may be, and the Issuer will:

In the case of Warrants:

- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder the Settled Amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
- (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder the Settled Amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
- (iii) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Condition 4.2(b)(iii) is specified in the applicable Final Terms, pay to each Holder the Settled Amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or

In the case of Certificates:

- (iv) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
- (v) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (vi) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Condition 4.2(b)(vi) is specified in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of the Settled Amount, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem in part the Securities at the Settled Amount) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of partial redemption; or

For Certificates and Warrants:

- (vii) otherwise, pay to each Holder in respect of each Security or Unit, as the case may be, held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner; and
- (viii) require the Calculation Agent to determine in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such cancellation or redemption, as the case may be, in part.

For the avoidance of doubt the remaining part of each Security or Unit, as the case may be, after such cancellation or redemption, as the case may be, and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10;

- (c) in the case of Warrants, on giving notice to Holders in accordance with Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, and:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if Share Condition 4.2(c)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise, by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the relevant Extraordinary Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related

hedging arrangements, plus if already paid, the Exercise Price, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10;

- (d) in the case of Certificates;
  - (i) unless Delayed Redemption on Occurrence of an Extraordinary Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with Condition 10 redeem all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Extraordinary Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of such Security, taking into account the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or
  - (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
  - (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
  - (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c);

- (vi) if the Calculation Agent determines that an Extraordinary Event constitutes a force majeure, and if Share Condition 4.2(d)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
- (e) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer acting in good faith and in a commercially reasonable manner shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (f) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the Issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that (i) in the case of Certificates, in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula, and (ii) in the case of Warrants, the Exercise Price will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price (in the case of Notes or Certificates) / Exercise Price (in the case of Warrants)} = A \times (B/C)$$



where:

"A" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"B" is, in the case of Warrants, the Exercise Price, or, in the case of Certificates, the Initial Price of the relevant Affected Share; and

"C" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date or, in the case of a Stapling, the official closing price of the relevant Affected Share on the Scheduled Trading Day immediately preceding the Extraordinary Event Effective Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the sole and absolute discretion of the Calculation Agent:

- (i) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (A) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (B) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in paragraph (i) above, but such share is already included in the Basket of Shares, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
  - (A) the Issuer of the share shall belong to the same economic sector as the Affected Basket Company; and
  - (B) the Issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company.

Notwithstanding the foregoing, in the case of a Stapling, the Affected Share may be substituted with the Stapled Shares and the provisions of Share Condition 13 shall apply in respect of such Stapled Shares.

If the Calculation Agent determines that more than one Extraordinary Event occurs in respect of a Share Company or a Basket Company, which are not connected and have different consequences pursuant to this Share Condition 4.2, the Calculation Agent will determine which such Extraordinary

Event and related consequences shall apply acting in good faith and in a commercially reasonable manner.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10, stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

#### **4.3 Hedging Liquidity Event**

- (a) **"Hedging Liquidity Event"** means that, at any time after the Listing Date of the Securities, the volume of Shares held by the Issuer and/or any of its Affiliates in relation to any hedging arrangements in respect of the Securities is above the Maximum Hedging Liquidity Level;

**"Maximum Hedging Liquidity Level"** means the percentage specified as such in the applicable Final Terms or, if not so specified, 50 per cent. of the daily average volume of the transactions on the Shares on the Exchange over the last 6 month time period appearing on the relevant Screen Page.

- (b) **Consequences of a Hedging Liquidity Event**

If Hedging Liquidity Event is specified as applicable in the applicable Final Terms and in the determination of the Calculation Agent a Hedging Liquidity Event occurs in relation to a Share, the Issuer may immediately cancel all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Hedging Liquidity Event, less, except if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Notice of cancellation will be given to Holders in accordance with Condition 10 as soon as practicable following determination of the occurrence of the Hedging Liquidity Event and payments will be made in such manner as shall be notified to the Holders.

#### **5. Correction of Share Price**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment or delivery under the Securities, if the price of the relevant Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment or delivery under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## 6. Dividend Payment

If "Dividend Payment" is specified as being applicable in the applicable Final Terms, the following provisions shall apply to the Securities:

- (a) In the event that on or after the Issue Date a Cash Dividend is paid by the Share Company or Basket Company, as the case may be, notwithstanding any provisions in these Terms and Conditions to the contrary, the Calculation Agent shall calculate (i) the relevant Distributed Amount and (ii) the relevant Dividend Date.
- (b) As soon as practicable following the Dividend Date, the Issuer shall give notice (a "**Cash Dividend Notice**") to the Holders in accordance with Condition 10, of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor shall pay to each Holder on the Cash Dividend Payment Date an amount equal to the Cash Dividend Amount in respect of each Security held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Actual Exercise Date (in the case of Warrants), the Redemption Date (in the case of Certificates), the Issuer shall not be obliged to pay such Cash Dividend Amount and the Issuer and/or the Guarantor (if applicable) shall have no further obligation in respect thereof.
- (c) The Cash Dividend Notice shall specify the manner in which the Cash Dividend Amount shall be paid to each Holder.

For the purposes of this Share Condition 6 the following definitions shall apply:

"**Cash Dividend**" means any cash dividend paid by the Share Company or Basket Company in respect of a Share;

"**Cash Dividend Amount**" means, in respect of a Security, an amount calculated by the Calculation Agent equal to the Distributed Amount less a *pro rata* share of Dividend Expenses, such amount to be converted into the Settlement Currency at an exchange rate determined by the Calculation Agent in good faith and in a commercially reasonable manner on or as soon as practicable after the Dividend Date;

"**Cash Dividend Payment Date**" means, in respect of a Cash Dividend, the date specified as such in the relevant Cash Dividend Notice;

"**Distributed Amount**" means, in respect of a Cash Dividend, the amount of such dividend paid by the Share Company in respect of a Share, as determined by the Calculation Agent in good faith and in a commercially reasonable manner;

"**Dividend Date**" means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a holder of the Share as determined by the Calculation Agent in good faith and in a commercially reasonable manner; and

"**Dividend Expenses**" means all present, future or contingent withholding, capital gain, profit, transactional or business tax or other similar tax or duty (including stamp duty) and/or expenses (including any applicable depositary charges, transaction charges, issue, registration, transfer and/or other expenses) which the Calculation Agent determines have been or may be deducted and/or may arise or may have arisen in respect of the Cash Dividend and/or any payment of the Cash Dividend Amount in respect of the Securities.

**7. GDR/ADR**

Share Conditions 8 to 10 (inclusive) apply where "GDR/ADR" is specified as applicable in respect of the shares specified to be GDRs/ADRs in the applicable Final Terms.

**8. Definitions relating to GDR/ADR**

"**ADR**" means an American Depositary Receipt;

"**Conversion Event**" means any event which in the sole and absolute determination of the Calculation Agent results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed Securities of the issuer of the Underlying Shares;

"**GDR**" means a Global Depositary Receipt; and

"**Underlying Shares**" means the shares underlying an ADR or GDR, as the case may be.

**9. General**

Save where specifically provided under the Final Terms, all references in the Conditions and the Share Conditions to the "Shares" shall, in respect of the shares specified to be GDRs/ADRs, be deemed to be to the GDRs or ADRs, as applicable, and/or the Underlying Shares, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the Underlying Shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the Underlying Shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the holders of Securities.

**10. Share Event**

Upon the occurrence of a Share Event, the Issuer acting in good faith and in a commercially reasonable manner may take the action described in paragraphs (a), (b), (c) (in the case of Warrants), (d) (in the case of Certificates), (e) or (f), as applicable, of Share Condition 4.2. The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10, stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto.

"**Share Event**" means each of the following events:

- (i) written instructions have been given by the Issuer or a Qualified Investor to the depositary of the Underlying Shares to withdraw or surrender the Underlying Shares;
- (ii) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event, the Calculation Agent shall have absolute discretion to determine which of these events such event constitutes.

**11. Potential Adjustment Event**

The following additional event shall be deemed added to paragraph (b) of the definition of Potential Adjustment Event in Share Condition 3:

"and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares".

## **12. Extraordinary Events**

The following additional events shall be deemed added to the first paragraph of Share Condition 4.1 after the words "as not applicable in the applicable Final Terms)":

"Conversion Event, Share Event".

## **13. Stapled Shares**

Share Conditions 13 to 19 (inclusive) apply where "Stapled Shares" is specified as applicable in respect of shares specified to be Stapled Shares in the applicable Final Terms.

## **14. General**

Except as provided in Share Condition 15, Share Condition 16 and Share Condition 17 below, and save where specifically provided under the Final Terms, all references in the Conditions, and the Share Conditions to the "Shares" or a "Share" shall, in respect of the shares specified to be Stapled Shares, be deemed to be to the "Stapled Shares" or a "Stapled Share Constituent", as applicable, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to each issuer of a Stapled Share Constituent.

## **15. Potential Adjustment Events**

References to "Shares" in Share Condition 3 (Potential Adjustment Events) shall be deemed to be references to "Stapled Shares and each Stapled Share Constituent".

## **16. Extraordinary Events**

16.1 References to "Shares" in the definitions of Insolvency, Merger Event, Nationalisation and Stapling and related provisions in Share Condition 4 (Extraordinary Events) shall be deemed to be references to "Stapled Share Constituent".

16.2 The following additional events shall be deemed added to the first paragraph of Share Condition 4.1 after the words "as not applicable in the applicable Final Terms)":

"De-Stapling".

## **17. Dividend Payment**

References to "Share" (other than in "Share Company") in Share Condition 6 (Dividend Payment) shall be deemed to be references to "Stapled Share Constituent".

## **18. De-Stapling**

Upon the occurrence of a De-Stapling, the Issuer may take the action described in paragraphs (a), (c), (d) or (e) of Share Condition 4.2 (in the case of Securities relating to either a single unit of Stapled Shares or a Basket of Shares comprising one or more Stapled Shares) or the action described in paragraph (b) of Share Condition 4.2 or in Share Condition 19 below (in respect of a Basket of Shares comprising one or more Stapled Shares). The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10 stating the occurrence of the De-Stapling, giving details thereof and the action proposed to be taken in relation thereto.

**"De-Stapling"** means the Stapled Shares become detached, such that:

- (a) one or more Stapled Share Constituent may be held, owned, sold, transferred, purchased and otherwise dealt with as an individual share; and/or
- (b) where applicable, one or more Stapled Share Constituent shall be listed and admitted to trading separately.

#### **19. Substitution following the occurrence of a De-Stapling**

If the Issuer elects to substitute the Stapled Shares following the occurrence of a De-Stapling in accordance with Share Condition 18, on or after the relevant Extraordinary Event Effective Date, the Calculation Agent will adjust the Basket of Shares to substitute one or more shares selected by it in accordance with the criteria set out below (the **"Substitute Share"**) for the Stapled Shares (the **"Affected Stapled Shares"**) affected by such De-Stapling and the Substitute Share will be deemed to be a **"Share"** and the relevant issuer of such shares a **"Basket Company"** for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that, in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Stapled Shares, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

where:

**"A"** is the official closing price of the Substitute Share on the relevant Exchange on the Substitution Date;

**"B"** is the Initial Price of the Affected Stapled Shares; and

**"C"** is the official closing price of the Affected Stapled Shares on the Scheduled Trading Day immediately preceding the Extraordinary Event Effective Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the **"Substitution Date"**) acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

The Weighting of the Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Stapled Shares.

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the determination of the Calculation Agent, acting in good faith and in a commercially reasonable manner:

- (i) the relevant issuer of the share shall belong to the same economic sector as the issuers of the Affected Stapled Shares; and
- (ii) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the issuers of the Affected Stapled Shares.

## ANNEX 4

### ADDITIONAL TERMS AND CONDITIONS FOR ETI SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as ETI Securities shall comprise the terms and conditions of Securities (the "**Conditions**") and the additional Terms and Conditions for ETI Securities set out below (the "**ETI Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Conditions and (ii) the ETI Conditions, the ETI Conditions shall prevail.

#### **ETI Share Provisions not applicable**

If ETI Share Provisions are specified as not applicable in the applicable Final Terms, ETI Conditions 1 to 8 (inclusive) shall apply.

#### **1. Definitions**

**"Basket Trigger Event"** means that an Extraordinary ETI Event occurs in respect of one or more ETI Interests or the related ETI comprising the ETI Basket which has or, in the event that an Extraordinary ETI Event has occurred in respect of more than one ETI, together have, a Weighting in the ETI Basket equal to or greater than the Basket Trigger Level;

**"Basket Trigger Level"** has the meaning given to it in the applicable Final Terms or if not so specified, 50 per cent;

**"Calculation Date"** means each day(s) specified in the applicable Final Terms, or if not so specified, each day which is an Exchange Business Day;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant ETI Interest;

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Closing Price"** means, in respect of an ETI and a Scheduled Trading Day, the official closing price (or if Value per ETI Interest is specified as applicable in the applicable Final Terms, the Value per ETI Interest) in respect of the relevant ETI Interest in relation to such day as determined by the Calculation Agent, subject as provided in ETI Condition 3 (Potential Adjustment Events) or ETI Condition 4 (Extraordinary ETI Events);

**"Disrupted Day"** means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

**"Dividend Event"** means that with reference to the later of (i) the two financial years prior to the Trade Date, and (ii) the two financial years prior to the relevant observation date, the ETI has implemented a material change to its practice with respect to the payment of dividends;

**"Early Closure"** means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced

by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"ETI"** means (i) any exchange traded fund, (ii) the issuer of (1) an exchange traded note, (2) exchange traded commodity or (3) any other exchange traded product or (iii) any other exchange traded entity specified as an ETI in the applicable Final Terms;

**"ETI Basket"** means, where the ETI Securities are linked to the performance of ETI Interests of more than one ETI, a basket comprising such ETI Interests;

**"ETI Documents"** means with respect to any ETI Interest, the offering document of the relevant ETI in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such ETI Interests and, for the avoidance of doubt, any other documents or agreements in respect of the ETI, as may be further described in any ETI Document;

**"ETI Interest(s)"** means (i) in respect of an exchange traded fund, an ownership interest issued to or held by an investor in such ETI, (ii) in respect of an exchange traded note or an exchange traded commodity, a unit or note, as the case may be, issued by such ETI, or (iii) in respect of any other exchange traded product, any other interest specified as an ETI Interest in the applicable Final Terms;

**"ETI Interest Correction Period"** means (i) the period specified in the applicable Final Terms, or (ii) if none is so specified, one Settlement Cycle;

**"ETI Related Party"** means, in respect of any ETI, any person who is appointed to provide services (howsoever described in any ETI Documents), directly or indirectly, in respect of such ETI, whether or not specified in the ETI Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms and in the case of an exchange traded note or exchange traded commodity, the calculation agent;

**"Exchange"** means in relation to an ETI Interest, each exchange or quotation system specified as such for the relevant ETI in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETI Interest on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (i) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, (a) Exchange Business Day (All ETI Interests Basis) or (b) Exchange Business Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply;

**"Exchange Business Day (All ETI Interests Basis)"** means, in respect of an ETI Basket, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;



**"Exchange Business Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such ETI Interest are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single ETI Interest Basis)"** means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange (if any) are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

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

**"Extraordinary ETI Event Effective Date"** means, in respect of an Extraordinary ETI Event, the date on which such Extraordinary ETI Event occurs, or has occurred, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

**"Final Calculation Date"** means the date specified as such in the applicable Final Terms; "Hedging Date" has the meaning given to it in the applicable Final Terms;

**"Hedge Provider"** means the party (being, inter alios, the Issuer, the Guarantor (if applicable), the Calculation Agent, an affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of ETI Interests, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of ETI Interests as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities;

**"Hedging Shares"** means the number of ETI Interests that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

**"Hypothetical Investor"** means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in an ETI Interest which is deemed to have the benefits and obligations, as provided in the relevant ETI Documents, of an investor holding an ETI Interest at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Calculation Agent or any of their Affiliates (as determined by the Calculation Agent in the context of the relevant situation);

**"Implied Embedded Option Value"** means, an amount (which may never be less than zero) equal to the present value as of the Implied Embedded Option Value Determination Date, of any scheduled but unpaid payments under the Securities in respect of the period from (and including) the Extraordinary ETI Event Effective Date to (and including) the Settlement Date, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner but, notwithstanding anything to the contrary contained herein, taking into account, without limitation, such factors as the net proceeds

actually received from the redemption or sale of any ETI Interests by the Hedge Provider, the volatility of the ETI Interests and any transaction costs;

**"Implied Embedded Option Value Determination Date"** means the date determined by the Calculation Agent to be the first date on which it is possible to determine the Implied Embedded Option Value following the occurrence of an Extraordinary ETI Event;

**"Initial Calculation Date"** means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date;

**"Intraday Price"** means, in respect of an ETI and any time on a Scheduled Trading Day, the published or quoted price (or if Value per ETI Interest is specified as applicable in the applicable Final Terms, the Value per ETI Interest) in respect of the relevant ETI Interest in relation to such time on such day as determined by the Calculation Agent, subject as provided in ETI Condition 3 (Potential Adjustment Events) or ETI Condition 4 (Extraordinary ETI Events);

**"Investment/AUM Level"** has the meaning given to it in the applicable Final Terms, or if not so specified, EUR 100,000,000 or the equivalent in any other currency;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any ETI Interest in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of an ETI Interest, the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Merger Event"** means, in respect of any relevant Interests and Entity, any:

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

in each case if the relevant Extraordinary ETI Event Effective Date is on or before (a) in the case of Cash Settled Securities, the last occurring Valuation Date or (b) in the case of Physical Delivery Securities, the Settlement Date. For the purposes of this definition only, "Interests" shall mean the applicable ETI Interests or the shares of any applicable ETI Related Party, as the context may require,

and "Entity" shall mean the applicable ETI or any applicable ETI Related Party, as the context may require;

**"Non-Principal Protected Termination Amount"** means an amount per Security determined by the sum of:

- (i) the Implied Embedded Option Value on the Implied Embedded Option Value Determination Date; and
- (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

**"Number of Value Publication Days"** means the number of calendar days or Value Business Days specified in the applicable Final Terms, being the maximum number of days after the due date for publication or reporting of the Value per ETI Interest after which the ETI Related Party or any entity fulfilling such role, howsoever described in the ETI Documents, or any other party acting on behalf of the ETI, may remedy any failure to publish or report the Value per ETI Interest before the Calculation Agent may determine that an Extraordinary ETI Event has occurred;

**"Principal Protected Termination Amount"** means an amount per Security determined as:

- (i) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms:
  - (a) the greater of:
    - (1) the Protected Amount; and
    - (2) the Implied Embedded Option Value; and
  - (b) the Simple Interest;
- (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is not specified as being applicable in the applicable Final Terms, the Implied Embedded Option Value;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Related Exchange"** means in relation to an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such ETI Interest on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such ETI Interest;

**"Scheduled Trading Day"** means either (i) in the case of a single ETI and in relation to an ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, (a) Scheduled Trading Day (All ETI Interest Basis) or (b) Scheduled Trading Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per ETI Interest Basis) shall apply;

**"Scheduled Trading Day (All ETI Interest Basis)"** means, in respect of an ETI Basket, any day on which each Exchange and each Related Exchange(s) are scheduled to be open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s);

**"Scheduled Trading Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any day on which the relevant Exchange and the relevant Related Exchange in respect of such ETI Interest are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single ETI Interest Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

**"Settlement Cycle"** means in respect of an ETI Interest, the period of Clearance System Days following a trade in the ETI Interest on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms and subject to the provisions of these ETI Conditions and as referred to in **"Valuation Date"** or **"Averaging Date"**, as the case may be:

- (i) in the case of ETI Securities relating to an ETI Basket and in respect of each ETI Interest comprising the ETI Basket, an amount equal to:
  - (a) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on;
    - (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
    - (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such ETI Interest whose official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest or on such other factors as the Calculation Agent shall decide); or

- (b) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest for such ETI Interest on:
  - (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
  - (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, in each case multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and
- (ii) in the case of ETI Securities relating to a single ETI Interest, an amount equal to:
  - (a) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on:
    - (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
    - (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the ETI Interest based, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest or on such other factors as the Calculation Agent shall decide); or
  - (b) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest on:
    - (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date; or
    - (ii) if Averaging is specified on the applicable Final Terms, an Averaging Date, in each case, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such

converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

**"Simple Interest"** means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Termination Amount during the period from (and including) the Implied Embedded Option Value Determination Date to (and excluding) the later of (i) the Redemption Date or (ii) the date falling five Business Days after the Implied Embedded Option Value Determination Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. under which:

- (i) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (ii) the "Termination Date" is the Termination Date;
- (iii) the "Floating Rate Payer Payment Date" is the Termination Date;
- (iv) the "Floating Rate Option" is EUR-EONIA-Swap Index (if the Settlement Currency is EUR) or USD-Federal Funds-H.15 (if the Settlement Currency is USD);
- (v) the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;
- (vi) the "Floating Rate Day Count Fraction" is Actual/360;
- (vii) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (viii) "Compounding" is "Inapplicable";

**"Specified Maximum Days of Disruption"** means eight (8) Scheduled Trading Days, or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares, units or interests of the ETI or an ETI Related Party, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

**"Termination Amount"** means:

In the case of Warrants:

- (i) if Highest Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Condition 21.5(a); or
- (ii) if Market Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Condition 21.5(b); or
- (iii) if the Calculation Agent determines that the relevant Extraordinary ETI Event or combination of Extraordinary ETI Events constitutes a force majeure, and if ETI Event Force Majeure is

specified as applicable in the applicable Final Terms, an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation;

- (iv) otherwise, the amount specified in the applicable Final Terms, or if not so specified, an amount equal to the Implied Embedded Option Value (if any), such amount payable on the Termination Date;

In the case of Certificates:

- (i) unless Highest Value, Market Value or Monetisation Option are specified in the applicable Final Terms as applicable:
  - (a) the amount specified in the applicable Final Terms;
  - (b) the Principal Protected Termination Amount; or
  - (c) the Non-Principal Protected Termination Amount, in each case, as specified in the applicable Final Terms,such amount to be payable on the Termination Date; or
- (ii) if Highest Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Condition 29.7(a); or
- (iii) if Market Value is specified as applicable in the applicable Final Terms, an amount in respect of each Security calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (iv) if Monetisation Option is specified as applicable in the applicable Final Terms, an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c);
- (v) if the Calculation Agent determines that the relevant Extraordinary ETI Event or combination of Extraordinary ETI Events constitutes a force majeure, and if ETI Event Force Majeure is specified as applicable in the applicable Final Terms, an amount in respect of each Security, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption;

**"Termination Date"** means the date determined by the Issuer as provided herein and specified in the notice given to Holders in accordance with ETI Condition 6.2(c) or (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Redemption Date;

**"Trade Date"** has the meaning given to it in the applicable Final Terms;

**"Trading Disruption"** means in relation to an ETI Interest, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (i) relating to the ETI Interest or any underlying asset of the ETI on the Exchange; or (ii) in futures or options contracts relating to the ETI Interest or any underlying asset of the ETI on any relevant Related Exchange;

**"Value Business Day"** means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Value Business Day Centre(s) specified in the applicable Final Terms;

**"Valuation Time"** means in the case of an ETI and in relation to an ETI Interest either (i) the close of trading on the Exchange or (ii) as otherwise specified in the applicable Final Terms;

**"Value per ETI Interest"** means, with respect to the relevant ETI Interest(s) and the Scheduled Trading Day relating to such ETI Interests, (i) if the relevant ETI Documents refer to an official net asset value per ETI Interest (howsoever described), such official net asset value per ETI Interest, otherwise (ii) the official closing price or value per ETI Interest, as of the relevant calculation date, as reported on such Scheduled Trading Day by the ETI or an ETI Related Party, the relevant Exchange or publishing service (which may include the website of an ETI), all as determined by the Calculation Agent;

**"Value per ETI Interest Trading Price Barrier"** means the percentage specified in the applicable Final Terms, or if not so specified, 5 per cent.;

**"Value per ETI Interest Trading Price Differential"** means the percentage by which the Value per ETI Interest differs from the actual trading price of the ETI Interest as of the time the Value per ETI Interest is calculated;

**"Value per ETI Interest Trigger Event"** means, in respect of any ETI Interest(s), that (i) the Value per ETI Interest has decreased by an amount equal to, or greater than, the Value Trigger Percentage(s) at any time during the related Value Trigger Period, or (ii) the ETI has violated any leverage restriction that is applicable to, or affecting, such ETI or its assets by operation of any law, (x) any order or judgement of any court or other agency of government applicable to it or any of its assets, (y) the ETI Documents or (z) any other contractual restriction binding on or affecting the ETI or any of its assets;

**"Value Trigger Percentage"** means the percentage specified in the applicable Final Terms or, if not so specified, 50 per cent.;

**"Value Trigger Period"** means the period specified in the applicable Final Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date.

## **2. Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single ETI Interest or an ETI Basket, in respect of an ETI Interest the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a



Disrupted Day, would have been an Averaging Date or a Valuation Date or on any Knock-in Determination Day or Knock-out Determination Day, as the case may be.

### 3. Potential Adjustment Events

**"Potential Adjustment Event"** means any of the following:

- (i) an extraordinary dividend as determined by the Calculation Agent;
- (ii) a repurchase or exercise of any call option by any ETI of relevant ETI Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (iii) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETI Interests.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant ETI or ETI Related Party, as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Except as may be limited in the case of U.S. Securities, following the declaration by the relevant ETI or ETI Related Party, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interest traded on that options exchange.

Upon the making of any such adjustment, the Calculation Agent shall give notice as soon as reasonably practicable to the Holders in accordance with Condition 10 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

### 4. Extraordinary ETI Events

Subject to the provisions of ETI Condition 5 (Determination of Extraordinary ETI Events), **"Extraordinary ETI Event"** means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

#### **Global Events:**

- 4.1 the ETI or any ETI Related Party (i) ceases trading and/or, in the case of an ETI Related Party, ceases administration, portfolio management, investment services, custodian, prime brokerage,

or any other relevant business (as applicable), (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (a) 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 (b) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv)(a) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or

- 4.2 the occurrence of a Merger Event or Tender Offer;

**Litigation/Fraudulent Activity Events:**

- 4.3 there exists any litigation against the ETI or an ETI Related Party which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, could materially affect the value of the ETI Interests or on the rights or remedies of any investor therein; or
- 4.4 an allegation of criminal or fraudulent activity is made in respect of the ETI, or any ETI Related Party, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETI, any ETI Related Party or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, materially affect the value of the ETI Interests or the rights or remedies of any investor in such ETI Interests;

**Change in ETI Related Parties/Key Persons Events:**

- 4.5 an ETI Related Party ceases to act in such capacity in relation to the ETI (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent; and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the ETI and/or any ETI Related Party to meet or maintain any obligation or undertaking under the

ETI Documents which failure is reasonably likely to have an adverse impact on the value of the ETI Interests or on the rights or remedies of any investor therein;

**Modification Events:**

- 4.6 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETI (howsoever described, including the underlying type of assets in which the ETI invests), from those set out in the ETI Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 4.7 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the ETI invests, (ii) the ETI purports to track, or (iii) the ETI accepts/provides for purposes of creation/redemption baskets;
- 4.8 a material modification, or any announcement regarding a potential future material modification, of the ETI (including but not limited to a material modification of the ETI Documents or to the ETI's liquidity terms) other than a modification or event which does not affect the ETI Interests or the or any portfolio of assets to which the ETI Interest relates (either alone or in common with other ETI Interests issued by the ETI);
- 4.9 the currency denomination of the ETI Interest is amended from that set out in the ETI Documents so that the Value per ETI Interest is no longer calculated in the same currency as it was as at the Trade Date; or
- 4.10 if applicable, the ETI ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

**Net Asset Value/Investment/AUM Level Events:**

- 4.11 a material modification of the method of calculating the Value per ETI Interest;
- 4.12 any change in the periodicity of the calculation or the publication of the Value per ETI Interest;
- 4.13 any of the ETI, any ETI Related Parties or any other party acting on behalf of the ETI fails for any reason to calculate and publish the Value per ETI Interest within the Number of Value Publication Days following any date scheduled for the determination of the valuation of the ETI Interests unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 4.14 the assets under management of, or total investment in, the ETI falls below the Investment/AUM Level;
- 4.15 a Value per ETI Interest Trigger Event occurs;
- 4.16 failure by the ETI or any ETI Related Party to publish (i) the Value per ETI Interest at the end of each Scheduled Trading Day as a result of any action or inaction by the ETI or any ETI Related Party, or

- 4.17 where the relevant ETI Documents provide for the publication of an indicative Value per ETI Interest, such indicative Value per ETI Interest is published no less frequently than once every five
- 4.18 minutes during regular trading hours on the Exchange on each Scheduled Trading Day; or
- 4.19 the Value per ETI Interest Trading Price Differential breaches the Value per ETI Interest Trading Price Barrier, and (ii) such breach has an adverse impact on any hedging activities in relation to the Securities;

**Tax/Law/Accounting/Regulatory Events:**

- 4.20 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a "**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or
- 4.21 any relevant activities of or in relation to the ETI or the ETI Related Parties are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETI by any governmental, legal or regulatory entity with authority over the ETI), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETI or the ETI Related Parties or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the ETI is required by a competent authority to redeem any ETI Interests, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETI Interests held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the ETI or any ETI Related Party that is reasonably likely to have an adverse impact on the value of the ETI Interests or other activities or undertakings of the ETI or on the rights or remedies of any investor therein, including any Hedge Provider;

**Hedging/Impracticality/Increased Costs Events:**

- 4.22 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold

(including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount or cost of regulatory capital that would have to be maintained in respect of any holding of ETI Interests or that would subject a holder of the ETI Interests or the Hedge Provider to any loss), purchase or sell the relevant ETI Interests or any underlying assets of or related to the ETI or for the Hedge Provider to maintain its hedging arrangements and, (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;

- 4.23 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees (or the combined effect thereof if occurring more than once)) would be materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;
- 4.24 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset or any futures or option contracts on the relevant Exchange it deems necessary to hedge the equity, commodity or other underlying ETI Interest asset price risk or any other relevant price risk, including but not limited to the Issuer's obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction, asset, or futures or option contract or any relevant hedge positions relating to an ETI Interest of the ETI;
- 4.25 at any time on or after the Trade Date, the Issuer and/or any of its Affiliates would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities;
- 4.26 if at any time on or after the Trade Date of the first issue of the Series, (i) the Hedge Provider unintentionally acquires directly or indirectly any ownership interest in an ETI that exceeds 10 per cent. of the total assets under management or (ii) as a consequence of changes in the performance, size, investment strategy or liquidity of an ETI, the Hedge Provider holds an ownership interest in such ETI that exceeds 10 per cent. of the total assets under management;

#### **Miscellaneous Events:**

- 4.27 in the case of Securities linked to an ETI Basket, a Basket Trigger Event occurs;
- 4.28 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party or any parent company (howsoever described) of the ETI, by Moody's Investors Service Inc., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's);

- 4.29 the occurrence of a Loss of Stock Borrow;
- 4.30 the occurrence of an Additional Extraordinary ETI Event;
- 4.31 if the relevant ETI Documents provide for the payment of dividends, the occurrence of a Dividend Event;
- 4.32 the relevant Exchange announces that pursuant to the rules of such Exchange, the relevant ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or otherwise (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).
- 4.33 All of the events listed in this ETI Condition 4 (**Extraordinary ETI Events**) will constitute an Extraordinary ETI Event, unless SC/FM ETI Events is specified as applicable in the applicable Final Terms, in which case, the events described in ETI Conditions 4.17, 4.18, 4.19(iv), 4.19(v), 4.20, 4.21, 4.22 and, 4.23, 4.24 and 4.27 will not constitute an Extraordinary ETI Event.

## 5. **Determination of Extraordinary ETI Events**

The Calculation Agent will determine if an Extraordinary ETI Event has occurred acting in good faith and in a commercially reasonable manner. Where the occurrence of an event or set of circumstances is capable of triggering more than one Extraordinary ETI Event or both an Extraordinary ETI Event and a Market Disruption Event, the Issuer may determine which Extraordinary ETI Event is to be triggered or whether such event or set of circumstances shall be an Extraordinary ETI Event or Market Disruption Event,.

In considering whether the occurrence of an event or set of circumstances triggers an Extraordinary ETI Event, the Calculation Agent may have regard to the combined effect, from the Trade Date, of any event or set of circumstances, as the case may be, if such event or set of circumstances occurs more than once.

## 6. **Consequences of an Extraordinary ETI Event**

- 6.1 If the Calculation Agent determines that an Extraordinary ETI Event has occurred, the Calculation Agent shall give notice (an "**Extraordinary ETI Event Notice**") to the Holders in accordance with Condition 10 (which notice shall be irrevocable), of the occurrence of such Extraordinary ETI Event (the date on which an Extraordinary ETI Event Notice is given, an "**Extraordinary ETI Event Notification Date**") as soon as reasonably practicable following the determination of an Extraordinary ETI Event. The Extraordinary ETI Event Notice shall set out, if determined at that time, the action that it has determined to take in respect of the Extraordinary ETI Event pursuant to ETI Condition 6.2 below. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary ETI Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Holders in accordance with Condition 10 as soon as reasonably practicable after the Extraordinary ETI Event Notification Date.

Neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder or any other person in connection with the

Securities as a result of any delay in notifying Holders of the occurrence on Extraordinary ETI Event, howsoever arising. If the Calculation Agent gives an Extraordinary ETI Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Issuer has determined the action to take pursuant to ETI Condition 6.2 below.

6.2 Following the occurrence of an Extraordinary ETI Event, the Issuer, may take the action described below in (i), (ii) or (iii).

(i) Adjustment

If the Issuer determines that the action be taken in respect of the Extraordinary ETI Event is to be "**Adjustment**", then it may:

- (a) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary ETI Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities and a change in the Weighting of any remaining ETI Interest(s) not affected by an Extraordinary ETI Event. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary ETI Event made by any options exchange to options on the ETI Interests traded on that options exchange; or
- (b) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary ETI Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(ii) Substitution

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Substitution**", the Calculation Agent shall on or after the relevant Extraordinary ETI Event Effective Date, substitute each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary ETI Event with an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") and the Substitute ETI Interest will be deemed to be an "**ETI Interest**" and the relevant issuer of such Substitute ETI Interest, an "**ETI**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute ETI Interest will be determined by the Calculation Agent in accordance with the following formula:

Initial Price =  $A \times (B/C)$  where:

"**A**" is the Settlement Price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"**B**" is the Initial Price of the relevant Affected ETI Interest; and

"**C**" is the Settlement Price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the ETI Basket will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary ETI Event Effective Date.

The Weighting of each Substitute ETI Interest will be equal to the Weighting of the relevant Affected ETI Interest.

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner:

- (a) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer (1) in the case of ETI Securities related to a single ETI, and (2) in the case of ETI Securities related to an ETI Basket, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (A) the relevant share/unit/interest is not already included in the ETI Basket and (B) it is or as of the relevant Extraordinary ETI Event Effective Date is promptly scheduled to be, (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the



European Union, in any member state of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or

- (b) (1) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph (i) above, but such share/unit/interest is (in the case of an ETI Security related to an ETI Basket), already included in the ETI Basket, or (2) where the Extraordinary ETI Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to, a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region), investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent;

(iii) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Termination**", on giving notice to Holders in accordance with Condition 10, (which such notice may be included in the Extraordinary ETI Event Notice in respect of the relevant Extraordinary ETI Event and will specify the Termination Date), all but not some only of the outstanding Securities shall be cancelled by payment of the Termination Amount on the Termination Date, payments being made in such manner as shall be notified to the Holders in accordance with Condition 10.

(iv) General

In determining to take a particular action as a result of an Extraordinary ETI Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary ETI Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of loss of interest), underperformance or opportunity cost suffered or incurred by Holders or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

## 7. Correction of ETI Interest Price

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment or delivery under the Securities, if the price of the relevant ETI Interest published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant price source within the number of days equal to the ETI Interest Correction Period of the original publication, the price to be used shall be the price of the relevant ETI Interest as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment or delivery under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## 8. **Calculations and Determinations**

To the extent permitted by any applicable law, the Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Conditions in such a manner as the Calculation Agent and/or the Issuer, as the case may be, determines to be appropriate acting in good faith and in a commercially reasonable manner having regard in each case to the criteria stipulated in the ETI Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

### **ETI Share Provisions applicable**

IF ETI Share Provisions are specified as applicable in the applicable Final Terms, ETI Conditions 9 to 14 (inclusive) will apply.

## 9. **Definitions relating to ETI Shares**

**"Basket of ETI Interests"** means a basket composed of ETI Interests of each ETI specified in the applicable Final Terms in the weightings or numbers of ETI Interests of each ETI specified in the applicable Final Terms;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant ETI;

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Closing Price"** means, in respect of an ETI Interest and a Scheduled Trading Day, the official closing price in respect of the relevant ETI Interest in relation to such day as determined by the Calculation Agent, subject as provided in ETI Condition 11 (Potential Adjustment Events) or ETI Condition 12 (Extraordinary Events);

**"Disrupted Day"** means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

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

**"ETI"** means the legal vehicle and/or legal arrangements that issue the ETI Interests;

**"ETI Correction Period"** means (i) the period specified in the applicable Final Terms, or (ii) if none is so specified, one Settlement Cycle;

**"ETI Documents"** means, with respect to an ETI, the constitutive and governing documents, subscription agreements and other agreements of the ETI specifying the terms and conditions relating to such ETI and/or the ETI Interests, in each case, as amended from time to time;

**"ETI Interests"** means units in the ETI as specified in the applicable Final Terms;

**"ETI Manager"** means, in respect of an ETI, each of the investment advisor, investment manager and sub-manager of such ETI, and any other key individual or entity involved with or having supervisory or management powers over such ETI;

**"ETI Strategy"** means, in respect of an ETI, the strategies or investment guidelines stated in the ETI Documents, which contribute to the net asset value of the ETI Interests;

**"Exchange"** means, in respect of an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETI Interest on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (i) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (ii) in the case of a Basket of ETI Interests, (a) Exchange Business Day (All ETI Interests Basis) or (b) Exchange Business Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply;

**"Exchange Business Day (All ETI Interests Basis)"** means, in respect of a Basket of ETI Interests, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all ETI Interests comprised in the Basket of ETI Interests during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such ETI Interest are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single ETI Interest Basis)"** means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the ETI Interest(s) on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETI Interest(s) on any relevant Related Exchange;

**"Intraday Price"** means, in respect of an ETI interest and any time on a Scheduled Trading Day, the published or quoted price in respect of the relevant ETI Interest at such time on such day as determined by the Calculation Agent, subject as provided in ETI Condition 11 (Potential Adjustment Events) or ETI Condition 12 (Extraordinary Events);

**"Protected Amount"** means the amount specified as such in the applicable Final Terms;

**"Related Exchange"** means, in relation to an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such ETI Interest on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such ETI Interest;

**"Scheduled Trading Day"** means either (i) in the case of a single ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (ii) in the case of a Basket of ETI Interests, (a) Scheduled Trading Day (All ETI Interests Basis) or (b) Scheduled Trading Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per ETI Interest Basis) shall apply;

**"Scheduled Trading Day (All ETI Interests Basis)"** means, in respect of a Basket of ETI Interests, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all ETI Interests comprised in the Basket of ETI Interests during their respective regular trading session(s);

**"Scheduled Trading Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any day on which the relevant Exchange and the relevant Related Exchange in respect of such ETI Interest are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single ETI Interest Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

**"Settlement Cycle"** means in respect of an ETI Interest, the period of Clearance System Days following a trade in the ETI Interest on the Exchange in which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms and subject to the provisions of these ETI Conditions and as referred to in "Strike Date", "Observation Date", "Valuation Date" or "Averaging Date", as the case may be:

- (i) in the case of ETI Securities relating to a Basket of ETI Interests and in respect of each ETI Interest comprising the Basket of ETI Interests, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case

may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such ETI Interest whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interests (or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent acting in good faith and in a commercially reasonable manner; and

- (ii) in the case of ETI Securities relating to a single ETI Interest, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the ETI Interest determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interests (or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent acting in good faith and in a commercially reasonable manner;

**"Settlement Price Date"** means the Strike Date, an Observation Date or the Valuation Date, as the case may be;

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

## **10. Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single ETI Interest or a Basket of ETI Interests, in respect of an ETI Interest, the occurrence or existence of (i) a Trading

Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

## **11. Potential Adjustment Events**

**"Potential Adjustment Event"** means any of the following:

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

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant ETI, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

Except as may be limited in the case of U.S. Securities, following the declaration by the relevant ETI of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interest and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement

(where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to (a) the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interests traded on that options exchange and (b) any adjustment(s) made by the ETI Manager to the ETI Interest.

Notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

## **12. Extraordinary Events**

- 12.1** The occurrence of any Delisting, ETI Currency Change, ETI Modification, ETI Reclassification, ETI Redemption or Subscription Event, ETI Regulatory Action, ETI Reporting Event, ETI Strategy Breach, ETI Termination, Insolvency, Merger Event, Nationalisation or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, Listing Suspension or Tender Offer, as the case may be, shall be deemed to be an "Extraordinary Event", the consequences of which are set forth in ETI Condition 12.2 (Consequences of an Extraordinary Event):

**"Delisting"** means, in respect of any relevant ETI Interest, the Exchange announces that pursuant to the rules of such Exchange, such ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

**"ETI Currency Change"** means that the net asset value of the ETI is quoted in a different currency to that quoted as of the Trade Date of the Securities.

**"ETI Modification"** means any change or modification of the ETI Documents that in the determination of the Calculation Agent could reasonably be expected to affect the value of the ETI Interests or the rights of or remedies available to any holders thereof on the Trade Date of the Securities.

**"ETI Reclassification"** means (i) the occurrence of the reclassification of the ETI Interests or (b)(i) proposal for or (ii) the occurrence of the acquisition of the ETI by, or the aggregation of the ETI into, another fund the mandate, risk-profile and/or benchmarks of which the Calculation Agent determines to be different from the mandate, risk-profile and/or benchmarks of the ETI as compared to the Trade Date of the Securities (or any proposal for the foregoing occurs).

**"ETI Redemption or Subscription Event"** means (i) the suspension of any transfer of any ETI Interests, (ii) the introduction of a mandatory redemption or partial redemption of the ETI Interests, (iii) the non-execution of any creation, subscription or redemption order in respect of the ETI Interests, or (iv) the introduction or proposed introduction of subscription or redemption fees or an increase of such fees with respect to the ETI Interests in excess of those in effect as of the Trade Date of the Securities.

**"ETI Regulatory Action"** means (i) any cancellation, suspension or revocation of the registration or approval of the ETI or the ETI Interests by any governmental, legal or regulatory entity with authority over the ETI or the ETI Interests, (ii) any change in the legal, tax, accounting or regulatory treatments of the ETI, any ETI Manager or the ETI Interests that the Calculation Agent determines has or is reasonably likely to have an adverse impact on the investors in the ETI or the holders of the ETI Interests or on the value of the ETI Interests, or (iii) the ETI or its ETI Manager becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving any activities relating to or resulting from the operation of the ETI, (including, without limitation, any future, announced or implemented material change to any one or more exemptive orders, no action letters or interpretative guidance of the U.S. Securities and Exchange Commission (the "SEC"), including guidance issued by the SEC's staff, relating to the ETI or to exchange traded funds generally that affects holders of the ETI Interests, whether occurring through action of the SEC or otherwise, including as a result of a court order or executive order) that the Calculation Agent determines has or is reasonably likely to have a material adverse effect on the value, redeemability or liquidity of the ETI Interests, or the operation of the ETI in accordance with the terms of the ETI Documents or (iv) the issuance by the SEC of an order to suspend the redemption obligations of the ETI, to freeze assets of the ETI or to take any other action that the Calculation Agent determines is reasonably likely to have a material effect on the value, redeemability or liquidity of the ETI.

**"ETI Reporting Event"** means, the occurrence of any event affecting the ETI that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the net asset value of the ETI, and such event continues for at least five consecutive Exchange Business Days.

**"ETI Strategy Breach"** means any change to, breach or violation, intentional or otherwise, of the ETI Strategy that is reasonably likely to affect the value of the ETI Interest or the rights of or remedies available to any holders thereof.

**"ETI Termination"** means the cessation or unwinding, by the ETI Manager, of the legal arrangements which gave rise to the ETI.

**"Extraordinary Event Effective Date"** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

**"Illiquidity"** means, in respect of ETI Securities relating to a Basket of ETI Interests, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days, notwithstanding the occurrence of a Disrupted Day, falling after the Issue Date (the "**Relevant Period**"), (i) the difference between the bid prices and the ask prices in respect of an ETI Interest during the Relevant Period is greater than 1 per cent. (based on an arithmetic mean average over the Relevant Period), and/or (ii) the arithmetic mean average purchase price or the arithmetic mean average selling price, determined by the Calculation Agent from the order book of the relevant ETI Interest on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of ETI Interests with a value equal to or greater than EUR 10,000.00, is greater than MID plus 1 per cent. (in relation to a purchase of ETI Interests) or lower than the MID minus 1 per cent. (in relation to a sale of ETI



Interests). For these purposes, "**MID**" means an amount equal to (a) the sum of the bid price and the ask price, in each case for the relevant ETI Interest at the relevant time, (b) divided by two.

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the ETI (i) all the ETI Interests of such ETI are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the ETI Interests of such ETI become legally prohibited from transferring such ETI Interests.

"**Listing Change**" means, in respect of any relevant ETI Interests, that such ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such ETI Interests were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Offer).

"**Listing Suspension**" means, in respect of any relevant ETI Interests, that the listing of such ETI Interests on the Exchange has been suspended.

"**Merger Event**" means, in respect of any relevant ETI Interests, any:

- reclassification or change of such ETI Interests that results in a transfer of or an irrevocable commitment to transfer all of such ETI Interests outstanding to another entity or person,
- consolidation, amalgamation, merger or binding share exchange of the ETI, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such ETI is the continuing entity and which does not result in a reclassification or change of all of such ETI Interests outstanding),
- takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETI Interests of such ETI that results in a transfer of or an irrevocable commitment to transfer all such ETI Interests (other than such ETI Interests owned or controlled by such other entity or person), or
- consolidation, amalgamation, merger or binding share exchange of the ETI or its subsidiaries with or into another entity in which such ETI is the continuing entity and which does not result in a reclassification or change of all such ETI Interests outstanding but results in the outstanding ETI Interests (other than ETI Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETI Interests immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Redemption Date.

"**Nationalisation**" means that all the ETI Interests or all or substantially all the assets of the ETI are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the ETI, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

## 12.2 Consequences of an Extraordinary Event

If an Extraordinary Event occurs in relation to an ETI Interest, the Issuer may take any of the relevant actions described in (i), (iii) or (iv) (in the case of Securities relating to either a single ETI Interest or a Basket of ETI Interests), or (ii) or (v) below (in the case of Securities relating to a Basket of ETI Interests) (except as may be limited in the case of U.S. Securities) as it deems appropriate:

- (i) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the ETI Interests traded on that options exchange. In addition, in relation to a Basket of ETI Interests, the Calculation Agent may adjust the Basket of ETI Interests in accordance with the provisions of subparagraph (v) below;
- (ii) in the case of ETI Securities relating to a Basket of ETI Interests, redeem in part by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed in part the portion (the "**Settled Amount**") of each Security, representing the affected ETI Interest(s) shall be cancelled and the Issuer will:
  - (a) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 34.12(a);
  - (b) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 34.12(b); or
  - (c) if the Calculation Agent determines that such Extraordinary Event constitutes a force majeure, and if ETI Condition 11.2(b)(iii) is specified in the applicable Final Terms, the Issuer will pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of the Settled Amount, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem in part the Securities at the Settled Amount) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of partial redemption; or
  - (d) otherwise, pay to each Holder in respect of each Security held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less, unless if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and
  - (e) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to

any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such redemption in part.

For the avoidance of doubt the remaining part of each Security after such redemption and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10;

- (iii) (a) unless Delayed Redemption on Occurrence of an Extraordinary Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with Condition 10 redeem all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Extraordinary Event, less, except in the case of Italian Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- (b) if Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of such Security, taking into account the relevant Extraordinary Event, less, except in the case of Italian Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or
- (c) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 34.12(a);
- (d) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 34.12(b); or

- (e) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 34.12(c); or
  - (f) if the Calculation Agent determines that an Extraordinary Event constitutes a force majeure, and if ETI Condition 12.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
  - (g) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.
- (iv) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of ETI Interests to include an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") for each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary Event and the Substitute ETI Interest will be deemed to be an "**ETI Interest**" and the relevant issuer of such Substitute ETI Interest, an "**ETI**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute

ETI Interest will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

where:

"A" is the official closing price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected ETI Interest; and

"C" is the official closing price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of ETI Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

The Weighting of each Substitute ETI Interest will be equal to the Weighting of the relevant Affected ETI Interest.

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner:

- (a) where the relevant Extraordinary Event is a Merger Event or a Tender Offer, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person (other than the Affected ETI Interest) that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (1) the relevant share/unit/interest is not already included in the Basket of ETI Interests and (2) it is or as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (b) (1) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph (a) above, but such share/unit/interest is already included in the Basket of ETI Interests, or (2) where the Extraordinary Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to, a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region), investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent.

If the Calculation Agent determines that more than one Extraordinary Event occurs in respect of ETI, which are not connected and have different consequences pursuant to this ETI Condition 12.2, the Calculation Agent will determine which such Extraordinary Event and related consequences shall apply acting in good faith and in a commercially reasonable manner.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto.

### 12.3 Hedging Liquidity Event

- (i) **"Hedging Liquidity Event"** means that, at any time after the Listing Date of the Securities, the volume of ETI Interests held by the Issuer and/or any of its Affiliates in relation to any hedging arrangements in respect of the Securities is above the Maximum Hedging Liquidity Level;

**"Maximum Hedging Liquidity Level"** means the percentage specified as such in the applicable Final Terms or, if not so specified, 50 per cent. of the daily average volume of the transactions on the ETI Interests on the Exchange over the last 6 month time period appearing on the relevant Screen Page.

- (ii) **Consequences of a Hedging Liquidity Event**

If Hedging Liquidity Event is specified as applicable in the applicable Final Terms and in the determination of the Calculation Agent a Hedging Liquidity Event occurs in relation to an ETI Interest, the Issuer may immediately cancel all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Hedging Liquidity Event, less, except in the case of Italian Securities or if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Notice of cancellation will be given to Holders in accordance with Condition 10 as soon as practicable following determination of the occurrence of the Hedging Liquidity Event and payments will be made in such manner as shall be notified to the Holders.

### 13. Correction of ETI Interest Price

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the price of the relevant ETI Interest published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the ETI Interest Correction Period of the original publication, the price to be used shall be the price of the relevant ETI Interest as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

### 14. Calculations and Determinations

To the extent permitted by any applicable law, the Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Conditions in such a manner as the Calculation Agent and/or the Issuer, as the case may be, determines to be appropriate acting in good faith and in a commercially reasonable manner having regard in each case to the criteria stipulated in the ETI Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

## ANNEX 5

### ADDITIONAL TERMS AND CONDITIONS FOR DEBT SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Debt Securities shall comprise the terms and conditions of Securities (the "**Conditions**") and the additional Terms and Conditions for Debt Securities set out below (the "**Debt Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between the Conditions, as applicable, and the Debt Conditions, the Debt Conditions shall prevail.

#### 1. Settlement Price

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, or in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject as referred to in "Averaging Date" or "Valuation Date":

- (i) in the case of Debt Securities relating to a basket of Debt Instruments, an amount equal to the sum of the values calculated for each Debt Instrument as (x) the bid price for such Debt Instrument as determined by or on behalf of the Calculation Agent by reference to the bid price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the bid prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Instrument, such bid prices to be expressed as a percentage of the nominal amount of such Debt Instrument (y) multiplied by the product of the nominal amount of such Debt Instrument and the relevant Weighting; and
- (ii) in the case of Debt Securities relating to a single Debt Instrument, an amount equal to (x) Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by the Calculation Agent on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Instrument, such bid prices to be expressed as a percentage of the nominal amount of the Debt Instrument (y) multiplied by the nominal amount of such Debt Instrument.

#### 2. Exchange Business Day

"**Exchange Business Day**" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Exchange Business Day Centre(s) specified in the applicable Final Terms.

#### 3. Market Disruption

"**Market Disruption Event**" shall mean, in respect of a Debt Instrument, the suspension of or limitation imposed on trading either on any exchange on which such Debt Instrument is traded or on

any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded if, in the determination of the Calculation Agent, such suspension or limitation is material.

The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10, as applicable, that a Market Disruption Event has occurred.

#### **4. Correction of Debt Instrument Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the price of the relevant Debt Instrument published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant exchange within the number of days equal to the Debt Instrument Correction Period of the original publication, the price to be used shall be the price of the relevant Debt Instrument as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

#### **5. Redemption or Cancellation of a Debt Instrument**

Notwithstanding Condition 15, if on or prior to the last Averaging Date or the last Valuation Date, any Debt Instrument is redeemed (including any early redemption) or cancelled by the relevant Debt Instrument Issuer (a "**Debt Instrument Redemption Event**"), then, except as may be limited in the case of U.S. Securities:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Debt Instrument Redemption Event constitutes a force majeure, and if Debt Condition 5(a)(iii) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or



- (iv) otherwise, pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Debt Instrument Redemption Event, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- (b) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of Debt Instrument Redemption Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Debt Instrument Redemption Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payments being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Debt Instrument Redemption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Debt Instrument Redemption Event (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Debt Instrument Redemption Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Redemption Date (in the case of Certificates) shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms) (in the case of a Certificate); or
  - (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
  - (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b) or

- (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c) or
- (vi) if the Calculation Agent determines that such Debt Instrument Redemption Event constitutes a force majeure, and if Debt Condition 5(b)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent, of any determination made by it pursuant to this Debt Condition 5 and the action proposed to be taken in relation thereto and such Security Agent, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## **6. Futures Price Valuation**

If "Futures Price Valuation" is specified as applicable in the applicable Final Terms the following provisions shall apply to these Debt Conditions:

**"Settlement Price"** means an amount equal to the Daily Settlement Price of the relevant Current Exchange traded Contract as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies, "Scheduled Trading Day" will be deemed to mean a day on which the Daily Settlement Price of the relevant Current Exchange-traded Contract is scheduled to be published by the relevant Futures or Options Exchange.

If Futures Price Valuation applies the Disrupted Day provisions in the Conditions and/or these Debt Conditions will not apply in relation to any Current Exchange-traded Contract.

For these purposes:

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Debt Condition 7 (Rolling Futures Contract Securities) below.

**"Daily Settlement Price"** means the daily settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

**"Exchange-traded Contract"** means the futures or options contract(s) specified as such in the applicable Final Terms, in each case, identified by reference to (a) the Synthetic Debt Instrument to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means the relevant exchange specified in the description of the Exchange traded Contract in the applicable Final Terms or any successor to such exchange.

**"Futures Rollover Date"** means either:

- (i) the date specified as such in the applicable Final Terms; or
- (ii) the date selected by the Calculation Agent in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Non-Commencement or Discontinuance of an Exchange-traded Contract"** means there is no Daily Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to the Valuation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Current Exchange-traded Contract.

**"Synthetic Debt Instrument"** means the synthetic debt instrument to which an Exchange-traded Contract is related, as described in the applicable Final Terms.

Debt Condition 3 (Market Disruption), Debt Condition 4 (Correction of Debt Instrument Price) and Debt Condition 5 (Redemption or Cancellation of a Debt Instrument) will not apply if Futures Price Valuation applies.

If Futures Price Valuation applies, references in the Conditions, Payout Conditions and OET Certificate Conditions to a "Debt Instrument" or "Debt Instruments" are deemed to be references to a Current Exchange-traded Contract or "Current Exchange-traded Contracts", as applicable.

## **7. Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Synthetic Debt Instrument that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of Debt Condition 8 (Adjustments to an Exchange-traded Contract) or Debt Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or, unless Related Hedging is specified as not applicable in the applicable Final Terms, at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Non-Commencement or Discontinuance of the Exchange-traded Contract constitutes a force majeure, and if Debt Condition 7(a)(iii) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified as applicable, each Unit, being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, unless Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10.
- (b) in the case of Certificates:
- (i) unless Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payments being made

in such manner as shall be notified to the Holders in accordance with Condition 10, as applicable; or

- (ii) if Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date (in the case of Certificates shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms) (in the case of Certificates); or
- (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
- (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (vi) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, and if Debt Condition 7(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

## **8. Adjustments to an Exchange-traded Contract**

In the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

## **9. Non-Commencement or Discontinuance of an Exchange-traded Contract**

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Issuer acting in good faith and in a commercially reasonable manner may take the action described in (a) or (b) below or require the Calculation Agent to take the action described in (c) below:

- (a) in the case of Warrants, cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Non-Commencement or Discontinuance of the Exchange-traded Contract constitutes a force majeure, and if Debt Condition 9(a)(iii). is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, cancel all, but not some only of the Warrants and pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified as applicable, each Unit, being cancelled at an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10.

- (b) in the case of Certificates:
- (i) unless Delayed Redemption on Non-Commencement or Discontinuance of an Exchange traded Contract, Highest Value, Market Value, Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10, as applicable. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed equal to the fair market value of such Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with Condition 10 as applicable; or
  - (ii) if Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date (in the case of Certificates) shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms) (in the case of a Certificate); or
  - (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a);
  - (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
  - (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or

- (vi) if the Calculation Agent determines that such Non-Commencement or Discontinuance of an Exchange-traded Contract constitutes a force majeure, and if Debt Condition 9(b)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption; or
- (c) replace the relevant Exchange-traded Contract affected by the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Affected Exchange-traded Contract**") with a substitute Exchange-traded Contract (the "**Substitute Exchange-traded Contract**") selected by the Calculation Agent in good faith and in a commercially reasonable manner which has similar contract specifications to those of the Affected Exchange-traded Contract and (ii) make such adjustments to adjust such terms of the Securities as it determines in good faith and in a commercially reasonable manner to be appropriate to preserve the economic position of the Holders prior to such replacement. Such replacement will be deemed to be effective as of the date selected by the Calculation Agent, acting in good faith and in a commercially reasonable manner, and specified in the notice referred to below. The Substitute Exchange-traded Contract will be deemed to be an "**Exchange-traded Contract**" for the purposes of the Securities.

Notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

#### **10. Correction of the Daily Settlement Price**

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Daily Settlement Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, within the number of days equal to the Daily Settlement Price Correction Period of the original publication, the Daily Settlement Price to be used shall be the Daily Settlement Price as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

#### **11. Definitions**

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the relevant securities or contracts.

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions.

"**Daily Settlement Price Correction Period**" means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.



**"Debt Instrument Correction Period"** means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

**"Debt Instrument Issuer"** means, in respect of a Debt Instrument, the issuer of such Debt Instrument.

**"Disrupted Day"** means any Scheduled Trading Day on which a Market Disruption Event has occurred.

**"Protected Amount"** means the amount specified as such in the applicable Final Terms.

**"Reference Price"** means, in respect of a Debt Instrument, the bid price, mid price, offer price, bid yield, mid yield or offer yield specified as such for such Debt Instrument in the applicable Final Terms.

**"Scheduled Trading Day"** means an Exchange Business Day.

**"Settlement Cycle"** means, in respect of a Debt Security or Exchange-traded Contract, the period of Clearance System Days following a trade in such security or contract, as the case may be, on the relevant exchange in which settlement will customarily occur according to the rules of such exchange."

## ANNEX 6

### ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Commodity Securities shall comprise the terms and conditions of Securities (the "**Conditions**") and the additional Terms and Conditions for Commodity Securities set out below (the "**Commodity Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between the Conditions and the Commodity Conditions, the Commodity Conditions shall prevail.

#### 1. Definitions

**"Basket Component"** means any Commodity or Commodity Index comprised in a Basket of Commodities;

**"Basket of Commodities"** means a basket comprising two or more Commodities and/or Commodity Indices;

**"Commodity"** means, subject to adjustment in accordance with this Annex, the commodity (or commodities) or futures contract on a commodity (or commodities) specified in the applicable Final Terms, and related expressions shall be construed accordingly and for the avoidance of doubt, each of climatic variables, freight rates and emissions allowances may be a Commodity for the purposes of this Annex and the applicable Final Terms;

**"Commodity Business Day"** means:

- (i) in respect of a Commodity or a Commodity Index:
  - (i) where the Commodity Reference Price for the relevant Commodity or Commodity Index is announced or published by an Exchange, any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which each relevant Exchange is open for trading during its regular trading sessions and notwithstanding any such Exchange closing prior to its scheduled closing time; or
  - (ii) a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price for the relevant Commodity or Commodity Index; or
- (ii) in the case of a Basket of Commodities, a day on which the Commodity Reference Price in respect of all of the Basket Components is scheduled to be published or announced in accordance with (i) and (ii) above;

**"Commodity Disrupted Day"** means any day on which a Market Disruption Event has occurred;

**"Commodity Fallback Value"** means:

- (i) in respect of any Commodity, the arithmetic mean of the quotations provided to the Calculation Agent by each of the Reference Dealers as its Commodity Reference Price for the relevant Pricing Date of the relevant Commodity, provided that if only three such quotations are so provided, the Commodity Fallback Value shall be the Commodity Reference Price remaining after disregarding the Commodity Reference Prices having the highest and lowest values (or if more than one such highest or lowest, one only of them). If fewer than three such

quotations are so provided, it will be deemed that such value cannot be determined and the relevant value shall be the good faith estimate of the Calculation Agent; or

- (ii) in respect of any Commodity Index or Basket of Commodities, the price for such Commodity Index or Basket of Commodities, as the case may be, in respect of the relevant Pricing Date determined by the Calculation Agent using the current applicable method of calculating such Commodity Index or the method for determining the value of the Basket of Commodities, as the case may be, as set out in the applicable Final Terms using the price or level for each Index Component or Basket Component, as the case may be, determined as follows:
  - (a) in respect of each Index Component or Basket Component, as the case may be, which is not affected by the Market Disruption Event, the closing price or level or settlement price, as applicable, of such Index Component or Basket Component, as the case may be, on such Pricing Date; and
  - (b) in respect of each Index Component or Basket Component, as the case may be, which is affected by the Market Disruption Event (each an "**Affected Item**"), the closing price or level or settlement price, as applicable, for such Affected Item on the first succeeding Pricing Date that is not a Commodity Disrupted Day, unless each of the number of consecutive Pricing Dates equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date is a Commodity Disrupted Day. In that case, (i) the last such consecutive Pricing Date shall be deemed to be the Pricing Date for the Affected Item, notwithstanding the fact that such day is a Commodity Disrupted Day, and (ii) the Calculation Agent shall determine the price or level of such Affected Item based upon the price at which the Issuer is able to sell or otherwise realise any hedge positions in respect of the Securities during the period of five Commodity Business Days following the last such consecutive Pricing Date;

**"Commodity Index"** means each index specified as such in the applicable Final Terms or an index comprising one or more commodities, contracts for the future delivery of a commodity, indices linked to a single commodity or indices comprised of multiple commodities (each an "**Index Component**");

**"Commodity Reference Price"** means, in respect of any Commodity or any Commodity Index, the Commodity Reference Price specified in the applicable Final Terms;

**"Delivery Date"** means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (i) if the Securities are not Rolling Futures Contract Securities:
  - (i) if a date is, or a month and year are, specified in the applicable Final Terms, that date or that month and year;
  - (ii) if a Nearby Month is specified in the applicable Final Terms, the month of expiration of the relevant Futures Contract; and

- (iii) if a method is specified in the applicable Final Terms for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method;
- (ii) if the Securities are Rolling Futures Contract Securities, the delivery date for a futures contract selected by the Calculation Agent acting in good faith and in a commercially reasonable manner on the Futures Rollover Date or if none the Issue Date.

**"Disappearance of Commodity Reference Price"** means (a) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange or (b) the disappearance of, or of trading in, the relevant Commodity or Index Component or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract, Commodity or Index Component;

**"Disruption Fallback"** means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source). A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified, the Calculation Agent shall determine the relevant actions in accordance with Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks).

**"Exchange"** means, in respect of a Commodity, the exchange or principal trading market for such Commodity specified in the applicable Final Terms or in the Commodity Reference Price and in the case of a Commodity Index, the exchange or principal trading market for each Index Component comprising such Commodity Index;

**"Final Pricing Date"** or **"Final Interest Pricing Date"** means the date specified as such in the applicable Final Terms. References in these Conditions to "Final Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Final Interest Pricing Date";

**"Futures Contract"** means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Commodity Reference Price;

**"Futures Rollover Date"** means either:

- (i) the date specified as such in the applicable Final Terms; or
- (ii) the date selected by the Calculation Agent in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

**"Index Component Disruption Event"** means:

- (i) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published on any date between the Issue Date and such Pricing Date that is not a price published by the usual exchange or price source, but is a price determined by the Price Source; or
- (ii) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published by the

usual exchange or price source on any date between the Issue Date and such Pricing Date that, in the opinion of the Calculation Agent, has been calculated or published subject to the occurrence of market disruption or similar, or otherwise not in accordance with the usual, then-current, method used by such exchange or price source;

**"Initial Pricing Date"** or **"Initial Interest Pricing Date"** means the date specified as such in the applicable Final Terms. References in these Conditions to "Initial Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Initial Interest Pricing Date";

**"Intraday Price"** means, in respect of a Commodity, Commodity Index or Index Component and any time on a Pricing Date, the Relevant Price of such Commodity, Commodity Index or Index Component at such time on such day, as determined by the Calculation Agent, subject as provided in Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and if applicable Commodity Condition 4 (Adjustments to a Commodity Index);

**"Limit Price Event"** means that the settlement price of any Commodity or Index Component has increased or decreased from the previous day's published settlement price by an amount equal to the maximum amount permitted under the applicable exchange rules for such Commodity or Index Component.

**"Material Change in Content"** means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or Futures Contract or, in the case of a Commodity Index, Index Component;

**"Material Change in Formula"** means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price or any Index Component used to calculate the Commodity Reference Price;

**"Nearby Month"**, when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (a) "First Nearby Month" means the month of expiration of the first Futures Contract to expire following that Pricing Date; (b) "Second Nearby Month" means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (c) "Sixth Nearby Month" means the month of expiration of the sixth Futures Contract to expire following that Pricing Date;

**"Price Source"** means the publication (or such other origin of reference, including an Exchange or Index Sponsor or Index Calculation Agent) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the relevant Commodity Reference Price;

**"Price Source Disruption"** means (a) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, or (b) the temporary or permanent discontinuance or unavailability of the Price Source;

**"Pricing Date"** or **"Interest Pricing Date"** means each date specified in the Final Terms as being the Initial Pricing Date, an Averaging Date, an Observation Date, an Automatic Early Redemption Valuation Date or the Final Pricing Date or if any such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day, unless, in the opinion of the Calculation Agent, such day is a Commodity Disrupted Day, in which case,

the relevant Pricing Date or Interest Pricing Date, as applicable, shall be the first succeeding Commodity Business Day that is not a Commodity Disrupted Day, unless each of the number of

consecutive Commodity Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date or Scheduled Interest Pricing Date, as the case may be, is a Commodity Disrupted Day. In that case, (A) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date or Interest Pricing Date, as the case may be, notwithstanding the fact that such day is a Commodity Disrupted Day, and (B) the Calculation Agent shall take action in accordance with the provisions of Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks). References in these Conditions to "Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Interest Pricing Date";

**"Reference Dealers"** means four leading dealers in the relevant Commodities market selected by the Calculation Agent;

**"Relevant Price"** means, for any Pricing Date, the price, expressed as a price per unit of the Commodity, the price of the Commodity Index or any Index Component, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Commodity Conditions and the applicable Final Terms;

**"Scheduled Pricing Date"** or "Scheduled Interest Pricing Date" means any original date that, but for the occurrence of an event causing a Market Disruption Event, would have been a Pricing Date. References in these Conditions to "Scheduled Pricing Date" shall be deemed to apply *mutatis mutandis* in respect of any "Scheduled Interest Pricing Date";

**"Settlement Price"** means, in respect of Commodity Warrants only, the Relevant Price, or, in the case of a Basket of Commodities, the sum of the values calculated in respect of each Basket Component as the Relevant Price of such Basket Component multiplied by the relevant Weighting;

**"Specified Maximum Days of Disruption"** means five (5) Commodity Business Days or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

**"Specified Price"** means, in respect of a Commodity Reference Price for a Commodity Index, (A) the closing or (B) daily official level of such Commodity Index and in respect of any other Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (a) the high price; (b) the low price; (c) the average of the high price and the low price; (d) the closing price; (e) the opening price; (f) the bid price; (g) the asked price; (h) the average of the bid price and the asked price; (i) the settlement price; (j) the official settlement price; (k) the official price; (l) the morning fixing; (m) the afternoon fixing; (n) the spot price; (o) the arithmetic average of bid and offer prices at 5.30pm (CET time) on the Pricing Date;

**"Tax Disruption"** means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity, or in the case of a Commodity Index or any Index Component (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and

**"Trading Disruption"** means the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or the Commodity or, in the case of a Commodity Index, Index Component on the Exchange or in any additional futures contract, options contract, commodity index or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

- (i) a suspension of the trading in the Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if:
  - (i) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended for the entire Pricing Date; or
  - (ii) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract, Commodity or Index Component, as the case may be, on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the relevant Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract, Commodity or Index Component, as the case may be, may fluctuate and the closing or settlement price of the relevant Futures Contract, Commodity or Index Component, as the case may be, on such day is at the upper or lower limit of that range.

## 2. **Market Disruption**

"**Market Disruption Event**" means, in respect of a relevant Commodity or Commodity Index and as determined by the Calculation Agent, the occurrence or existence of:

- (i) in the case of all Commodities and each Commodity Index, a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price, Limit Price Event; and in addition
- (ii) in the case of each Commodity Index and all Commodities other than Gold, Silver, Platinum or Palladium, Material Change in Formula, Material Change in Content and/or Tax Disruption; and in addition
- (iii) in the case of a Commodity Index, an Index Component Disruption Event.

The Calculation Agent shall give notice as soon as practicable to Holders, in accordance with Condition 10, of the occurrence of a Market Disruption Event and the action proposed to be taken in relation thereto.

## 3. **Consequences of a Market Disruption Event and Disruption Fallbacks**

Upon a Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent may, in good faith and in a commercially reasonable manner, take the action described in (a), (b) or (c) below:

- (a) the Calculation Agent shall determine if such event has a material effect on the Securities and, if so shall calculate the relevant Interest Amount (in the case of Certificates) and/or Cash Settlement Amount and/or make any other relevant calculation using, in lieu of a published price or level for that Commodity or Commodity Index, as the case may be, the price or level for that Commodity or Commodity Index as determined by the Calculation Agent using the Commodity Fallback Value; or

- (b) the Calculation Agent may substitute the relevant Commodity, Commodity Reference Price or Index Component with a Commodity, Commodity Reference Price or Index Component, as the case may be, selected by it in accordance with the criteria set out below (each, a "**Substitute Commodity**", "**Substitute Commodity Reference Price**" or a "**Substitute Index Component**") for each Commodity, Commodity Reference Price or Index Component, as the case may be, (each, an "**Affected Commodity**", "**Affected Commodity Reference Price**" or "**Affected Index Component**", as the case may be), which is affected by the Market Disruption Event and the Substitute Commodity, Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be deemed to be a "**Commodity**", "**Commodity Reference Price**" or an "**Index Component**", as the case may be, for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the initial price of the Commodity, the Commodity Reference Price or the Index Component, as the case may be, the initial price or level of each Substitute Commodity, Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be determined by the Calculation Agent in good faith and in a commercially reasonable manner.

In order to be selected as a Substitute Commodity, the Substitute Commodity shall be valued on the basis of a futures contract on similar terms to, with a delivery date corresponding with and relating to the same Commodity as the Affected Commodity.

In order to be selected as a Substitute Commodity Reference Price, the Substitute Commodity Reference Price shall be a benchmark, price or quotation selected by the Calculation Agent, acting in good faith and a commercially reasonable manner and which in its determination is or will be used by market participants as a substitute for the Affected Commodity Reference Price.

In order to be selected as a Substitute Index Component, the Substitute Index Component shall be an alternative futures contract or commodity index relating to a futures contract on similar terms to the Affected Index Component.

Such substitution and the relevant adjustment(s) will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in good faith and in a commercially reasonable manner which may, but need not, be the relevant date of the Market Disruption Event. Such substitution will be notified to the Holders as soon as practicable after the Substitution Date in accordance with Condition 10; or

- (c) In the case of Warrants, the Issuer shall cancel all but not some only of the Securities and:
- (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable



in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined in accordance with Condition 21.5(b); or

- (iii) if the Calculation Agent determines that such Market Disruption Event constitutes a force majeure, and if Commodity Condition 3(c)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
- (iv) otherwise, pay an amount equal to the fair market value of such Security or Unit, as the case may be, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10.

(d) In the case of Certificates:

- (i) unless Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, the Issuer shall redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of a Security less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10;
- (ii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a);
- (iii) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (iv) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or

- (v) if the Calculation Agent determines that such Market Disruption Event constitutes a force majeure, and if Commodity Condition 3(d)(v) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

#### 4. Adjustments to a Commodity Index

##### (a) Successor Index Sponsor Calculates and Reports a Commodity Index

If a relevant Commodity Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor commodity index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then in each case that commodity index (the "**Successor Commodity Index**") will be deemed to be the Commodity Index.

##### (b) Modification and Cessation of Calculation of a Commodity Index

If (a) on or prior to the last Averaging Date, the last Observation Date, the Final Interest Pricing Date or the Final Pricing Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent contracts or commodities and other routine events) (a "**Commodity Index Modification**"), or permanently cancels a relevant Commodity Index and no Successor Commodity Index exists (a "**Commodity Index Cancellation**"), or (b) on any Averaging Date, Observation Date, Interest Pricing Date or other Pricing Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Commodity Index (a "**Commodity Index Disruption**" and, together with a Commodity Index Modification and a Commodity Index Cancellation, each a "**Commodity Index Adjustment Event**");

- (i) the Calculation Agent shall determine if such Commodity Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the Relevant Price using, in lieu of a published level for that Commodity Index, the Commodity Fallback Value; or
- (ii) in the case of Warrants, the Issuer may cancel the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so cancelled, the Issuer will:
  - (A) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or

- (B) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (C) if the Calculation Agent determines that such Commodity Index Adjustment Event constitutes a force majeure, and if Commodity Condition 4(b)(ii)(C) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (D) otherwise, pay an amount to each Holder in respect of each Security or, if Units are specified as applicable, each Unit being cancelled at an amount equal to the fair market value of a Security or Unit, as the case may be, taking into account the Commodity Index Adjustment Event, less, except if Unwind Costs are specified as not applicable in the applicable Final Terms the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
- (iii) In the case of Certificates:
- (A) unless Highest Value, Market Value or Monetisation Option are specified as applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of a Security, taking into account the Commodity Index Adjustment Event, less, if Unwind Costs are specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
  - (B) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or

- (C) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (D) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (E) if the Calculation Agent determines that such Commodity Index Adjustment Event constitutes a force majeure, and if Commodity Condition 4(b)(ii)(E) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

## **5. Correction of Commodity Reference Price**

With the exception of any corrections published after the day which is three Commodity Business Days prior to the due date for any payment under the Securities, if the Commodity Reference Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction published by the relevant Exchange or any other person responsible for the publication or announcement of the Commodity Reference Price within 30 calendar days of the original publication, the price to be used shall be the price of the relevant Commodity as so corrected. Corrections published after the day which is three Commodity Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## **6. Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Commodity Reference Price in respect of the Securities will be valued by reference to rolling futures contracts each of which have delivery months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select the relevant Futures Contract and for each following day until the Futures Rollover Date such futures contract will be the Futures Contract for the purposes of the Commodity Reference Price. On each Futures Rollover Date, the Calculation Agent will select another Futures Contract and such contract shall be the Futures Contract for the purposes of the Commodity Reference Price until the next occurring Futures Rollover Date. If on a Futures Rollover Date a Market Disruption Event or a Commodity Index Adjustment Event occurs and it is impossible or materially impracticable for the Calculation Agent to select a Futures Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then the provisions of Commodity Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Condition 4 (Adjustments to a Commodity Index), as applicable, shall apply to the Securities.

## ANNEX 7

### ADDITIONAL TERMS AND CONDITIONS FOR CURRENCY SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Currency Securities shall comprise the terms and conditions of Securities (the "**Conditions**") and the additional Terms and Conditions for Currency Securities set out below (the "**Currency Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between the Conditions, as applicable, and the Currency Conditions, the Currency Conditions shall prevail.

#### 1. Definitions

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Condition 3 (Consequences of a Disruption Event) shall apply;

"**Dual Exchange Rate**" means that any of the Base Currency, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates;

"**Disrupted Day**" means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event has occurred;

"**Illiquidity Disruption**" means the occurrence of any event in respect of any of the Base Currency, Subject Currency and/or Subject Currencies whereby it becomes impossible for the Calculation Agent or Issuer to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent or Issuer to hedge its obligations under the Securities (in one or more transaction(s)) on the relevant Averaging Date or any Settlement Price Date (or, if different, the day on which rates for such Averaging Date or Settlement Price Date would, in the ordinary course, be published or announced by the relevant price source);

"**Knock-in Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Condition 3 (Consequences of a Disruption Event) shall apply;

"**Protected Amount**" means the amount specified as such in the applicable Final Terms.

"**Price Source**" means the published source, information vendor or provider containing or reporting the rate or rates from which the Settlement Price is calculated as specified in the applicable Final Terms;

"**Price Source Disruption**" means that it becomes impossible to obtain the rate or rates from which the Settlement Price is calculated;

"**Scheduled Trading Day**" means a day on which commercial banks are open (or, but for the occurrence of a Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centres of the Base Currency and Subject Currency or Subject Currencies;

**"Settlement Price Date"** means each Averaging Date, Strike Day, Strike Date, Knock-in Observation Date, Observation Date or Valuation Date, as the case may be;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, five (5) Scheduled Trading Days;

**"Strike Date"** means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Condition 3 (Consequences of a Disruption Event) shall apply;

**"Strike Day"** means each date specified as such in the applicable Final Terms;

**"Strike Period"** means the period specified as such in the applicable Final Terms;

**"Valuation Date"** means the date (in the case of Warrants), or the Interest Valuation Date and/or the Redemption Valuation Date (in the case of Certificates) specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Condition 3 (Consequences of a Disruption Event) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time at which the Price Source publishes the relevant rate or rates from which the Settlement Price is calculated; and

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

## **2. Disruption Events**

The occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be a Disruption Event:

- (a) Price Source Disruption;
- (b) unless specified as not applicable in the applicable Final Terms, Illiquidity Disruption;
- (c) Dual Exchange Rate; or
- (d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) (if applicable) or (c).

The Calculation Agent shall give notice as soon as practicable to Holders in accordance with Condition 10, of the occurrence of a Disrupted Day on any day that but for the occurrence of the Disrupted Day would have been an Averaging Date, Settlement Price Date, Knock-in Determination Day or Knock-out Determination Day, as the case may be.

## **3. Consequences of a Disruption Event**

Upon a Disruption Event occurring or continuing on any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply the applicable Disruption Fallback in determining the consequences of the Disruption Event.

**"Disruption Fallback"** means a source or method that may give rise to an alternative basis for determining the Settlement Price when a Disruption Event occurs or exists on a day that is a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the Price Source). The Calculation Agent shall take the relevant actions specified in either (a), (b) (in the case of Warrants) or (c) (in the case of Certificates) below.

- (a) If a Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Settlement Price Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day (in the case of any Settlement Price Date) or Valid Date (in the case of an Averaging Date or Strike Day) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Settlement Price Date is a Disrupted Day in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the Settlement Price Date (irrespective of whether that last consecutive Scheduled Trading Day is already a Settlement Price Date) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Subject Currency as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or
- (b) in the case of Warrants, if any Settlement Price Date is a Disrupted Day but is not the final Valuation Date, the Issuer may cancel all but not some only of the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled, the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or
  - (ii) if Market Value is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Disruption Event constitutes a force majeure, and if Currency Condition 3.2(b)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Warrant or Unit, as the case may be, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Warrants at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise pay an amount equal to the fair market value of such Warrant, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payment shall be made in such manner as shall be notified to the Holders in accordance with Condition 10; or

- (c) in the case of Certificates:
- (i) unless Delayed Redemption on Occurrence of Disruption Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Disruption Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner made in such manner as shall be notified to the Holders in accordance with Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Disruption Event (the "**Calculated Currency Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Currency Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Currency Adjustment Amount plus interest accrued from and including the Calculated Currency Adjustment Amount Determination Date to but excluding the Redemption Date, at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount; or
  - (iii) if Highest Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a); or
  - (iv) if Market Value is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all, but not some only of the Certificates and pay to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
  - (v) if Monetisation Option is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates and pay an amount to each Holder an amount in respect of each Certificate held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
  - (vi) if the Calculation Agent determines that such Disruption Event constitutes a force majeure, and if Currency Condition 3.2(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account



will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

Notwithstanding the foregoing, the Calculation Agent will adjust any relevant terms of the Securities as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Securities.

- (d) Unless Disruption Event Postponement is specified as not applicable in the applicable Final Terms, notwithstanding any provisions in the Conditions to the contrary, postpone any payment date related to such Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be provided or announced by the Price Source), as the case may be (including the Redemption Date or Settlement Date, as applicable) until the Business Day following the date on which a Disruption Event is no longer subsisting and no interest or other amount shall be paid by the Issuer in respect of such postponement.

#### **4. Settlement Price**

**"Settlement Price"** means, in respect of a Subject Currency and a Settlement Price Date, and subject to Currency Condition 3 above, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on such Settlement Price Date, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), Provided That if the relevant rate of exchange is derived from two or more rates of exchange, the Settlement Price shall be calculated by the Calculation Agent as provided above acting in good faith and in a commercially reasonable manner on the basis of each such rate of exchange.

## ANNEX 8

### ADDITIONAL TERMS AND CONDITIONS FOR FUTURES SECURITIES

If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Securities specified in the applicable Final Terms as Futures Securities shall comprise the terms and conditions of Securities (the "**Conditions**") and the additional Terms and Conditions for Futures Securities set out below (the "**Futures Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between the Conditions, as applicable, and the Futures Conditions, the Futures Conditions shall prevail.

#### 1. Definitions

**"Basket of Futures"** means a basket composed of each Future specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant Future(s);

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Disrupted Day"** means any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session(s) or on which a Market Disruption Event has occurred;

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

**"Exchange"** means, in relation to a Future, each exchange or quotation system specified as such in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Future has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Future on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single Future, Exchange Business Day (Single Future Basis) or (b) in the case of a Basket of Futures, Exchange Business Day (All Futures Basis) or Exchange Business Day (Per Future Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Future Basis) shall apply;

**"Exchange Business Day (All Futures Basis)"** means, in respect of all Futures comprised in a Basket of Futures, any Scheduled Trading Day on which each Exchange is, in respect of such Futures, open for trading during its regular trading session(s) notwithstanding such Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Future Basis)"** means, in respect of a Future, any Scheduled Trading Day on which the relevant Exchange in respect of such Future is open for trading during its regular trading session(s), notwithstanding such relevant Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Future Basis)"** means any Scheduled Trading Day on which the relevant Exchange is open for trading during its respective regular trading session(s), notwithstanding such relevant Exchange closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for, the Futures on the Exchange;

**"Future"** or **"Futures"** means, subject to adjustments in accordance with this Annex, in the case of an issue of Securities relating to a single Future, the futures contract and, in the case of an issue of Securities relating to a Basket of Futures, each futures contract, specified in the applicable Final Terms, and related expressions shall be construed accordingly;

**"Futures Correction Period"** means (a) the period specified in the applicable Final Terms, or (b) if none is so specified, one Settlement Cycle;

**"Protected Amount"** means the amount specified as such in the applicable Final Terms.

**"Scheduled Trading Day"** means either (a) in the case of a single Future, Scheduled Trading Day (Single Future Basis) or (b) in the case of a Basket of Futures, Scheduled Trading Day (All Futures Basis) or Scheduled Trading Day (Per Future Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Future Basis) shall apply;

**"Scheduled Trading Day (All Futures Basis)"** means, in respect of all Futures comprising the Basket of Futures, any day on which each Exchange is, in respect of such Futures, scheduled to be open for trading during its regular trading session(s);

**"Scheduled Trading Day (Per Future Basis)"** means, in respect of a Future, any day on which the relevant Exchange is scheduled to be open for trading during its regular trading session(s);

**"Scheduled Trading Day (Single Future Basis)"** means any day on which the relevant Exchange is scheduled to be open for trading during its regular trading session(s);

**"Settlement Cycle"** means, in respect of a Future, the period of Clearance System Days following a trade in the Future on the Exchange on which settlement will customarily occur according to the rules of such Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex and as referred to in "Averaging Date", "Observation Date", "Strike Date" or "Valuation Date" as the case may be:

- (i) in the case of Futures Securities relating to a Basket of Futures and in respect of each Futures comprising the basket, an amount equal to the official closing price (or the price at the Valuation Time on an Averaging Date or the Valuation Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Future on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii)

if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and

- (ii) in the case of Futures Securities relating to a single Future, an amount equal to the official price (or the price at the Valuation Time on an Averaging Date or the Valuation Date, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Future on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise relating to the Futures on the Exchange.

## 2. Market Disruption

**"Market Disruption Event"** means, in relation to Securities relating to a single Future or a Basket of Futures, in respect of a Future the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, or an Observation Date, a Valuation Date or the Strike Date.

## 3. Adjustments to a Future

### 3.1 Futures Modification, Futures Replacement or Futures De-Listing

If, on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, (a) the relevant Exchange makes or announces that it will make a material change in the conditions of the Future(s) (a **"Futures Modification"**), (b) the relevant Exchange replaces the Future by a new Future contract to be substituted to the Future (a **"Futures Replacement"**) or (c) the relevant Exchange announces that the relevant Future cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason 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 within the European Union, in a member state of the European Union) (a **"Futures De-Listing"** and, together with a Futures Modification and a Futures Replacement, each a **"Futures Adjustment Event"**), then:

- (a) following the occurrence of a Futures Modification or a Futures Replacement, the Calculation Agent shall determine if such Futures Modification or Futures Replacement has a material effect on the Securities and, if so, shall use the Future(s) so modified or replaced in lieu of the initial Future with respect to the relevant Securities; or
- (b) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will:
  - (i) if Highest Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined, in accordance with Condition 21.5(a); or

- (ii) if Market Value is specified as applicable in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder calculated and paid on such date determined in accordance with Condition 21.5(b); or
  - (iii) if the Calculation Agent determines that such Futures Adjustment Event constitutes a force majeure, and if Futures Condition 3.1(b)(iii) is specified in the applicable Final Terms, pay to each Holder an amount in respect of each Security, or if Units are specified in the applicable Final Terms, each Unit, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to cancel the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of cancellation; or
  - (iv) otherwise, pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, being cancelled an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Futures Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manners as shall be notified to the Holders in accordance with Condition 10; or
- (c) in the case of Certificates;
  - (i) unless Delayed Redemption on Occurrence of Futures Adjustment Event, Highest Value, Market Value or Monetisation Option are specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of a Security taking into account the Futures Adjustment Event, less, except if Unwind Costs is specified as not applicable in the applicable Final Terms, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in good faith and in a commercially reasonable manner, payment being made in such manner as shall be notified to the Holders in accordance with Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Futures Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Futures Adjustment Event (the "**Calculated Futures Adjustment Amount**") as soon as practicable following the occurrence of the Futures Adjustment Event (the "**Calculated Futures Adjustment Amount Determination Date**") and on the Redemption Date (in the case of Certificates) shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Futures Adjustment Amount plus interest accrued from and including the Calculated Futures Adjustment Amount Determination Date to but excluding the Redemption Date (in the case of Certificates) at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable

Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or

- (iii) if Highest Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(a);
- (iv) if Market Value is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(b); or
- (v) if Monetisation Option is specified as applicable in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder calculated and paid on such date determined, in accordance with Condition 29.7(c); or
- (vi) if the Calculation Agent determines that such Futures Adjustment Event constitutes a force majeure, and if Futures Condition 3.1(c)(vi) is specified in the applicable Final Terms, the Issuer will on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Securities and pay to each Holder an amount in respect of each Security held by such Holder, which amount shall be equal to the fair market value of a Security, taking into account such event (provided that no account will be taken of costs (other than such costs that are unavoidable to early redeem the Securities at their fair market value) and no such costs shall be deducted), such amount to be paid to the Holders on the date notified to the Holders in the notice of early redemption.

### **3.2 Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to paragraph 3.1 above and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by Holders copies of any such determinations.

### **4. Correction of Futures Price**

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment under the Securities, if the price of the relevant Future(s) published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities, is subsequently corrected and the correction published by the relevant Exchange within the number of days equal to the Futures Correction Period of the original publication, the price to be used shall be the price of the relevant Future(s) as so corrected. Corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## ANNEX 9

### ADDITIONAL TERMS AND CONDITIONS FOR OET CERTIFICATES

If specified as applicable in the applicable Final Terms, (a) the terms and conditions applicable to Certificates specified in the applicable Final Terms as OET Certificates shall comprise the terms and conditions of the Securities (the "**Conditions**") and the additional Terms and Conditions for OET Certificates set out below (the "**OET Certificate Conditions**"), in each case together with any other additional terms and conditions specified in the applicable Final Terms and subject to completion in the applicable Final Terms. In the event of any inconsistency between (i) the Conditions and (ii) the OET Certificate Conditions, the Conditions shall prevail.

#### 1. Definitions

**"Automatic Early Redemption Amount"** means an amount in the Settlement Currency equal to the Automatic Early Redemption Payout set out in the applicable Final Terms. If the product of the Automatic Early Redemption Payout is zero, no amount shall be payable on redemption of the Certificate pursuant to OET Certificate Condition 2;

The Automatic Early Redemption Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

**"Automatic Early Redemption Event"** or **"Stop Loss Event"** means that, as determined by the Calculation Agent, at the Observation Time(s) on an Automatic Early Redemption Valuation Date (the **"Relevant Automatic Early Redemption Valuation Date"**):

- (i) with respect to an OET Call Certificate, the Observation Price is less than or equal to the applicable Security Threshold; or
- (ii) with respect to an OET Put Certificate, the Observation Price is greater than or equal to the applicable Security Threshold;

**"Automatic Early Redemption Valuation Date"** means each Relevant Business Day from (and including) the Issue Date (notwithstanding the occurrence of (in the case of Index OET Certificates, Share OET Certificates or Currency OET Certificates) a Disrupted Day, (in the case of Commodity OET Certificates, a Commodity Disrupted Day or (otherwise) a Market Disruption Event);

**"Capitalised Exercise Price"** or **"CEP<sub>t</sub>"** or **"Financing Level"** means, in respect of a calendar day (day<sub>t</sub>), an amount calculated according to the following provisions:

1. If "Unrounded Capitalised Exercise Price" is specified as applicable in the applicable Final Terms, the "UCEP<sub>t</sub>" in respect of a calendar day (day<sub>t</sub>) rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$UCEP_t = UCEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360}$$

Except that:

- (a) with respect to Share OET Certificates, Index OET Certificates (where dividends on the Index Shares (as defined below) are not reinvested in the relevant Index) and ETI

OET Certificates, and where  $day_t$  is an Ex-Dividend Date, the Unrounded Capitalised Exercise Price will be calculated as follows:

$$UCEP_t = UCEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} - \text{Dividend Adjustment Amount}$$

- (b) with respect to Rolling Futures Contract Securities, and where  $day_t$  is a Futures Rollover Date, the Unrounded Capitalised Exercise Price will be calculated as:

$$UCEP_t = UCEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Futures Rollover Adjustment Amount}$$

- (c) with respect to Index OET Call Certificates (where dividends on the Index Shares (as defined below) are reinvested in the relevant Index), and where  $day_t$  is an Ex-Dividend Date, the Unrounded Capitalised Exercise Price will be calculated as follows:

$$UCEP_t = UCEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Applicable Withholding Tax}$$

2. If “Capitalised Exercise Price” is specified as applicable in the applicable Final Terms, the  $CEP_t$ , in respect of a calendar day ( $day_t$ ) calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360}$$

Except that:

- (a) with respect to Share OET Certificates, Index OET Certificates (where dividends on the Index Shares (as defined below) are not reinvested in the relevant Index) and ETI OET Certificates, and where  $day_t$  is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} - \text{Dividend Adjustment Amount}$$

- (b) with respect to Rolling Futures Contract Securities, and where  $day_t$  is a Futures Rollover Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Futures Rollover Adjustment Amount}$$

- (c) with respect to Index OET Call Certificates (where dividends on the Index Shares (as defined below) are reinvested in the relevant Index), and where  $day_t$  is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows and rounded upwards or downwards in accordance with the Capitalised Exercise Price Rounding Rule specified in the applicable Final Terms:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Applicable Withholding Tax}$$



for the purposes of this definition:

**"Applicable Withholding Tax"** means the applicable withholding taxes or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of cash dividends and/or other cash distributions payable in respect of the relevant Index Share pursuant to the applicable double taxation treaty or domestic law prevailing at the time of the distribution;

**"CEP<sub>t-1</sub>"** means the Capitalised Exercise Price applicable on day<sub>t-1</sub>, provided that the Capitalised Exercise Price applicable on the Issue Date ("CEP<sub>Initial</sub>") shall be equal to the Exercise Price;

**"Dividend Adjustment Amount"** means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to (i) the sum of the gross cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share) related to such Ex-Dividend Date multiplied by (ii) the Dividend Percentage;

**"Dividend Percentage"** means the percentage specified as such in the applicable Final Terms, provided that the Calculation Agent acting in good faith and in a commercially reasonable manner, may increase or decrease such percentage to reflect any imposition of or adjustment to, any taxes which are deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share). If the Dividend Percentage is adjusted as provided herein, the adjusted Dividend Percentage, will be notified to Holders in accordance with Condition 10 (Notices) as soon as reasonably practicable following such adjustment;

**"Exercise Price"** means the price determined by the Calculation Agent and specified as such in the applicable Final Terms;

**"Financing Rate<sub>t-1</sub>"** means, the Financing Rate applicable on day<sub>t-1</sub>;

**"Futures Rollover Adjustment Amount"** means an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated pro rata amongst the Certificates; and

**"UCEP<sub>t-1</sub>"** means the Unrounded Capitalised Exercise Price applicable on day<sub>t-1</sub>, provided that the Unrounded Capitalised Exercise Price applicable on the Issue Date ("UCEP<sub>Initial</sub>") shall be equal to the Exercise Price;

The Capitalised Exercise Price will be made available (subject to technical failure) during normal business hours on any Local Business Day during the term of the OET Certificates, on the OET Website(s) specified in the applicable Final Terms or such other website as may be notified to the Holders;

**"Conversion Rate"** means, in respect of a day, the rate of exchange (including any rates of exchange pursuant to which the relevant rate of exchange is derived) between the currency of the relevant

Underlying Reference and the Settlement Currency, as specified as such in the applicable Final Terms on such day;

**"Ex-Dividend Date"** means, with respect to a Share (in respect of which a dividend is paid) or share comprising an Index (an **"Index Share"**), the date on which such Share or Index Share becomes "ex-dividend" as determined by the Calculation Agent;

**"Final Price"** or **"Final Reference Price"** means the Settlement Price or, in the case of Commodity Securities, the Relevant Price on the Valuation Date or Optional Redemption Valuation Date, as applicable;

**"Final Price Early"** or **"Stop-Loss Termination Reference Price"** means the price of the relevant Underlying Reference, determined by the Calculation Agent on the basis of the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant OET Certificates during the three-hour period immediately following the occurrence of the relevant Automatic Early Redemption Event, provided that (i) the Final Price Early in respect of an OET Call Certificate will be no lower than the lowest Observation Price and (ii) the Final Price Early in respect of an OET Put Certificate will be no greater than the highest Observation Price, in each case determined by the Calculation Agent during such three-hour period, or otherwise, during the opening hours of the relevant Exchange. With respect to OET Certificates relating to an Index or Share the above-mentioned three-hour period shall be counted during the opening hours of the relevant Exchange. Accordingly, if the period between the occurrence of the Automatic Early Redemption Event and the official closing time of the relevant Exchange is less than three hours, then the observation period shall extend to the following Relevant Business Day, until a full period of three hours has passed since the occurrence of the Automatic Early Redemption Event. With respect to Currency OET Certificates and Commodity OET Certificates, if a period during a Relevant Business Day is specified in the applicable Final Terms as the Observation Time and the period between the occurrence of the Automatic Early Redemption Event and the end of that period is less than the above mentioned three-hour period, then the observation period shall extend to the following Relevant Business Day beginning at 8:00 am (CET time) until a full period of three hours has passed since the occurrence of the Automatic Early Redemption Event;

**"Financing Rate"** means, if applicable, in respect of a calendar day ( $day_t$ ), the rate calculated as:

Financing Rate Percentage + Interbank Rate 1 – Interbank Rate 2.

**"Financing Rate Percentage"** or **"Financing Spread"** means, in the case of OET Call Certificates, the positive rate and, in the case of OET Put Certificates, the negative rate, specified in the applicable Final Terms, provided that the Calculation Agent may, acting in good faith and in a commercially reasonable manner, select an alternative rate which must be within the Financing Rate Range.

**"Financing Rate Range"** means the range specified as such in the applicable Final Terms.

**"Interbank Rate 1"** means the offered quotation for the rate which appears on the Interbank Rate 1 Screen Page at the Interbank Rate 1 Specified Time on  $day_t$  as determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner. In the event that the Interbank Rate 1 Screen Page is not available or no such offered quotation appears at such time or there has been a permanent or indefinite cancellation or cessation of the relevant rate, the Calculation Agent will use, as a substitute for the relevant rate, the alternative rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction or region of the currency in which the relevant rate is denominated (each a **"Relevant Nominating Body"**), that is consistent with industry accepted standards, provided that, if two or more

alternative rates are selected by any Relevant Nominating Body, the Issuer or the Calculation Agent, as applicable, shall determine which of those alternative rates is most appropriate to preserve the economic features of the relevant Securities. If the Calculation Agent is unable to determine such alternative rate, the Calculation Agent will determine the Interbank Rate 1 as the rate it determines would have prevailed but for such non-availability or other event, acting in good faith and in a commercially reasonable manner;

**"Interbank Rate 1 Screen Page"** means the source specified in the applicable Final Terms.

**"Interbank Rate 1 Specified Time"** means the time specified in the applicable Final Terms or, if no such time is specified, the customary time as of which the relevant Interbank Rate 1 is published.

**"Interbank Rate 2"** means the offered quotation for the rate which appears on the Interbank Rate 2 Screen Page at the Interbank Rate 2 Specified Time on day<sub>t</sub> as determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner. In the event that the Interbank Rate 2 Screen Page is not available or no such offered quotation appears at such time or there has been a permanent or indefinite cancellation or cessation of the relevant rate, the Calculation Agent will use, as a substitute for the relevant rate, the alternative rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction or region of the currency in which the relevant rate is denominated (each a **"Relevant Nominating Body"**), that is consistent with industry accepted standards, provided that, if two or more alternative rates are selected by any Relevant Nominating Body, the Issuer or the Calculation Agent, as applicable, shall determine which of those alternative rates is most appropriate to preserve the economic features of the relevant Securities. If the Calculation Agent is unable to determine such alternative rate, the Calculation Agent will determine the Interbank Rate 2 as the rate it determines would have prevailed but for such non-availability or other event acting in good faith and in a commercially reasonable manner;

**"Interbank Rate 2 Screen Page"** means the source specified in the applicable Final Terms.

**"Interbank Rate 2 Specified Time"** means the time specified in the applicable Final Terms or, if no such time is specified, the customary time as of which the relevant Interbank Rate 2 is published.

**"Local Business Day"** means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Local Business Day Centre(s) specified in the applicable Final Terms;

**"Observation Price"** means the "official level", "opening price", "official close", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price", "official settlement price", "daily settlement price", "high", "mid", "low", "bid high", "bid low", "ask high", "ask low" as specified in the applicable Final Terms, of the Underlying Reference published by the Observation Price Source as determined by the Calculation Agent at the Observation Time(s);

**"Observation Price Source"** means the source specified as such in the applicable Final Terms;

**"Observation Time(s)"** means the time(s) or period(s) of observation specified as such in the applicable Final Terms;

**"Parity"** or **"Ratio"** means the number specified as such in the applicable Final Terms;

**"Relevant Business Day"** means, unless otherwise specified in the applicable Final Terms, an Exchange Business Day (in respect of OET Certificates other than Commodity OET Certificates,

Currency OET Certificates or OET Certificates relating to a Custom Index), a Custom Index Business Day (in respect of Custom Index Securities), a Commodity Business Day (in respect of Commodity Securities) or a Scheduled Trading Day (in respect of Currency Securities or Debt Securities), as applicable;

**"Reset Date"** means:

- (i) if Option 1 is specified in the relevant Final Terms:
  - (i) each day in each calendar month specified as such in the relevant Final Terms, provided that if such day is not a Business Day, the Reset Date shall be the next following Business Day;
  - (ii) with respect to Index OET Certificates (where dividends on the Index Shares are not reinvested in the relevant Index) each day on which (1) a distribution of cash dividend to existing holders of the relevant Index Shares, (2) an issue of Index Shares or any other type of securities or rights issue or other assets to existing holders of the relevant Index Shares, (3) an extraordinary dividend in relation to the relevant Index Shares, (4) a subdivision, consolidation or reclassification of the relevant Index Shares or (5) any other event that may have, in the opinion of the calculation Agent, a dilutive or concentrative effect on the theoretical value of the relevant Index Shares is announced by the relevant company that has issued the relevant Index Shares takes effect; or
  - (iii) each day on which an adjustment pursuant to Index Condition 3 (Adjustments to an Index), Index Condition 6 (Adjustments to a Custom Index and Custom Index Disruption), Index Condition 9.2 (Rolling Futures Contract Securities), Index Condition 9.3 (Adjustments to an Exchange-traded Contract), Index Condition 9.4 (Non-Commencement or Discontinuance of an Exchange-traded Contract), Share Condition 3 (Potential Adjustment Events) and Share Condition 4 (Extraordinary Events), ETI Condition 3 or ETI Condition 11 (Potential Adjustment Events), as relevant, ETI Condition 4 (Extraordinary ETI Events) or ETI Condition 12 (Extraordinary Events), as relevant, Debt Condition 7 (Rolling Futures Contract Securities), Debt Condition 8 (Adjustments to an Exchange-traded Contract) and Debt Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract), Commodity Condition 2 (Market Disruption), Commodity Condition 6 (Rolling Futures Contract Securities), Currency Condition 2 (Disruption Events) and Futures Condition 3 (Adjustments to a Future) takes effect.

For the purposes hereof, any such adjustment shall be deemed to take effect:

- (i) pursuant to Index Condition 3.1, Index Condition 6.1 and Commodity Condition 4(a), on the day the relevant successor index or Successor Commodity Index is deemed to be the Index or Commodity Index, as the case may be;
- (ii) pursuant to Index Condition 6.2(a)(i), Index Condition 6.2(a)(ii)(A), Index Condition 6.2(b)(i) and Index Condition 6.2(b)(ii)(A), on the Scheduled Custom Index Business Day deemed to be the relevant Valuation Date;
- (iii) pursuant to Index Condition 3.2, on the day the Calculation Agent following the occurrence of an Index Adjustment Event calculates the relevant value, level or price of the Index;

- (iv) pursuant to Debt Condition 9(c), on the day the Calculation Agent replaces the relevant Exchange-traded Contract affected by the Non-Commencement or Discontinuance of an Exchange-traded Contract;
  - (v) pursuant to Currency Condition 3, on the day the Calculation Agent applies the applicable Disruption Fallback; and
  - (vi) pursuant to Futures Condition 3.1(a), on the day the Calculation Agent uses the Future so modified or replaces in lieu of the initial Future.
- (ii) if Option 2 is specified in the relevant Final Terms, each calendar day in the period from and excluding the Issue Date to and including the Valuation Date.

**"Security Percentage" or "Stop-Loss Buffer"** means the percentage specified as such in the applicable Final Terms. The Security Percentage may be adjusted by the Calculation Agent on each Reset Date in order to take into account changes in market conditions (including, in particular, volatility), provided that the adjusted Security Percentage (a) unless the Security Percentage is equal to zero, falls between the "Minimum Security Percentage" and the "Maximum Security Percentage" specified in the applicable Final Terms and (b) does not trigger the occurrence of an Automatic Early Redemption Event;

**"Security Threshold" or "Stop-Loss Level"** means the amount calculated as follows by the Calculation Agent and rounded upwards or downwards in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms:

- (i) in the case of OET Call Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms, of (i) the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, plus the Security Percentage; and
- (ii) in the case of OET Put Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule, (i) of the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, minus the Security Percentage,

which, in each case, is available (subject to technical problems) during normal business hours on any Local Business Day during the term of the relevant OET Certificates on the OET Website(s) specified in the applicable Final Terms or such other website as may be notified to the Holders.

For the avoidance of doubt, the Security Threshold calculated by the Calculation Agent in accordance with the provisions of this Annex shall, in case of any discrepancy, prevail over the Security Threshold published on the OET Website. The publication of the Security Threshold on the applicable OET Website(s) is for information purposes only and may be subsequently corrected should the amount published differ from the Security Threshold calculated by the Calculation Agent;

**"Settlement Currency"** means Euro, unless otherwise specified in the applicable Final Terms;

**"Underlying Reference"** means the relevant Index, Share, ETL, Commodity, Subject Currency, Debt Instrument or other basis of reference to which the relevant Certificates relate, as specified in the Product Specific Provisions of the applicable Final Terms; and

**"Valuation Date"** means:

- (i) the date designated as such by the Issuer, acting in good faith, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Relevant Business Day preceding the contemplated Valuation Date or, if such date is not a Relevant Business Day, the next following Relevant Business Day. Other than in the case of Commodity OET Certificates, the provisions of (i) or (ii), as applicable, of the definition of "Valuation Date" in Condition 25 shall apply if any such day is a Disrupted Day and, in the case of Commodity OET Certificates, the provisions of the definition of "Pricing Date" in the Commodity Conditions will apply if such day is a Commodity Disrupted Day; or
- (ii) if Automatic Early Redemption is specified as being applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Relevant Automatic Early Redemption Valuation Date or if such date is not a Relevant Business Day, the next following Relevant Business Day,

in each case, subject to adjustment in accordance with the relevant Conditions.

If (i) the Issuer designates a date as being the Valuation Date in accordance with these Terms and Conditions and (ii) an Automatic Early Redemption Event occurs after such designation but prior to the designated Valuation Date, then the Valuation Date shall be deemed to be the Relevant Automatic Early Redemption Valuation Date as determined pursuant to this definition.

## **2. Automatic Early Redemption**

If "Automatic Early Redemption" is specified as being applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if an Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the date falling the number of Business Days specified in the applicable Final Terms following the Valuation Date (the "**Automatic Early Redemption Date**") and the amount payable by the Issuer upon redemption of each Certificate shall be an amount equal to the relevant Automatic Early Redemption Amount.

### **USE OF PROCEEDS**

The net proceeds from each issue of Securities by BNPP B.V. or BNPP will become part of the general funds of BNPP B.V. or BNPP, as the case may be. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.

## DESCRIPTION OF BNPP INDICES

The Index Methodology governing each Index shall be available on <https://indices-globalmarkets/bnppparibas.com/nr/@CodeCInergy@.pdf> as soon as such Index is the Underlying Reference in respect of a product which is under the scope of the Prospectus Directive. The Cinergy Code is specified as set out in the tables below.

**In any case and for all the indices the following part shall be included:**

The objective of each Index comprised in a Family Index is to provide synthetic exposure to the performance as the case may be appropriate of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index component types (the "**Index Components Types**") in accordance with the objective of the Index comprised in the category of indices as described below.

The following indices shall be Excess Return ("**ER**"), Total Return ("**TR**"), Price Return ("**PR**"), Adjusted Return ("**AR**") or Cash Less ("**CL**") (each a "**Cash Kind**"). As a consequence, if the Index is an "Excess Return" index, the level of the index will reflect the performance of the strategy of the index above an applicable money market rate. If the Index is a "Total Return" index, the level of the index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be declared or/paid by underlying index components). If the Index is a "Price Return" index, the level of the index will reflect a value assuming no reinvestment of dividends or distributions (declared/paid by underlying index components). If the Index is an "Adjusted Return" Index, the level of the Index will reflect a value assuming reinvestment of all or a part of dividends and distributions (as the case may be, declared or paid) by underlying index components and the deduction of an applicable adjustment factor. At last, if the Index is a "Cashless" index as it is constituted of components that require little or no cash to hedge in order to obtain the economic exposure and risk required by the index strategy, the level of the index will not take into account money market interest that would be ordinarily be payable when hedging the performance of an index which would require a cash investment equal to the value of the Index.

If any Index component (the "**Index Component**") of an Index ceases to exist or is, or would be, subject to an adjustment pursuant to the provisions of the Index rules in respect of that Index Component, the Index Calculation Agent may, acting in good faith and in a commercially reasonable manner, (a) effect no change to the Index, (b) adjust the Index as it deems appropriate including, but not limited to, replacing such Index Component with a replacement Index Component or the Index Calculation Agent and the Index Sponsor may continue to calculate and publish (as applicable) the Index without such Index Component or any replacement therefore, subject to the BNP Paribas Index proprietary methodology (the "**Index Methodology**"), or (c) terminate the Index. The aim of the Index Calculation Agent when making any such operational adjustments is to ensure that, so far as possible, the basic principles and economic effect of the Index are maintained.

Following the Index Start Date, the Index Calculation Agent shall review the composition of the Index and the Index weightings of the Index Components within the Index on an ongoing basis and in accordance with the Index Methodology comprised into the Index rules (the "**Rules**") governing the Index.

1. **GURU Indices**
2. **Thematic Mutual Fund Indices**
3. **Thematic Equity Indices**
4. **Fixed Exposure Indices**
5. **Risk Control Indices**



6. **Millenium Indices**
7. **Platinum Indices**
8. **Harbour Indices**
9. **Flexinvest Indices**
10. **Volatility Indices**
11. **Buy Write Indices**
12. **Alternative Strategy Indices**
13. **Liberty Indices**
14. **Alternative Synthetic Tracker Indices**
15. **Daily Weekly Indices**
16. **Commodity Indices**
1. GURU Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure ("Long") or positive and negative exposure ("Long /Short") to the performance of a notional basket of 'Equity' Index Components, that track the price movements of shares of companies selected through a BNP Paribas proprietary methodology
2	Description of the process of selecting components weighting factors	Components are selected following a process based on different potential indicators such as profitability of the business model, perspectives, valuation, price based.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly

7	Type of index	All Indices listed in the table below are part of the GURU Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas GURU Europe Long TR EUR	EUR	Long	TR	Europe	70%	100%	32%	BNPGELTR	Solactive	GELMTR
BNP Paribas GURU Europe Long ER 10 EUR	EUR	Long	ER	Europe	0%	150%	10%	BNPGEL10	Solactive	GEL10MAER
BNP Paribas GURU Europe Long ER 15 EUR	EUR	Long	ER	Europe	0%	150%	15%	BNPGEL15	Solactive	GEL15MAER
BNP Paribas GURU Europe Long/Short TR EUR	EUR	Long/Short	TR	Europe	0%	100%	10%	BNPGELSTR	Solactive	GELSTMATR
BNP Paribas GURU Europe Long/Short ER EUR	EUR	Long/Short	ER	Europe	0%	100%	10%	BNPGELSE	Solactive	GELSEM AER
BNP Paribas GURU US Long TR USD	USD	Long	TR	US	70%	100%	32%	BNPGULTR	Solactive	GULTMT R
BNP Paribas GURU US Long ER 10 USD	USD	Long	ER	US	0%	150%	10%	BNPGUL10	Solactive	GUL10MAER
BNP Paribas GURU US Long ER 15 USD	USD	Long	ER	US	0%	150%	15%	BNPGUL15	Solactive	GUL15MAER
BNP Paribas GURU US Long/Short TR USD	USD	Long/Short	TR	US	0%	100%	10%	BNPGULSTR	Solactive	GULSTMATR
BNP Paribas GURU US Long/Short ER USD	USD	Long/Short	ER	US	0%	100%	10%	BNPGULSE	Solactive	GULSEM AER
BNP Paribas GURU Asia ex Jp Long TR USD	USD	Long	TR	Asia	70%	100%	32%	BNPGALTR	Solactive	GAL2TR
BNP Paribas GURU Asia ex Jp ex India Long ER 15 USD	USD	Long	ER	Asia	0%	100%	15%	BNPIGA15	BNP Paribas	GAXI15ER
BNP Paribas GURU Asia ex Jp ex India Long ER 20 USD	USD	Long	ER	Asia	0%	100%	20%	BNPIGA20	BNP Paribas	GAXI20ER
BNP Paribas GURU Global Emerging Long TR USD	USD	Long	TR	Emerging Markets	70%	100%	32%	BNPIGEMT	Solactive	GEMTTR
BNP Paribas	USD	Long	ER	Emerging	0%	100%	18%	BNPIGE1	BNP	GE18ER

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
GURU Global Emerging Long ER 18 USD				Markets				8	Paribas	
BNP Paribas GURU World Developed Long TR USD	USD	Long	TR	World Developed	70%	100%	32%	BNPIGWDT	Solactive	GWDTTR
BNP Paribas GURU World Developed Long ER 10 USD	USD	Long	ER	World Developed	0%	100%	10%	BNPIGD10	BNP Paribas	GWD10ER
BNP Paribas GURU World Developed Long ER 15 USD	USD	Long	ER	World Developed	0%	100%	15%	BNPIGD15	BNP Paribas	GWD15ER
BNP Paribas GURU All Country Long TR USD	USD	Long	TR	Worldwide	70%	100%	32%	BNPIGWAT	Solactive	GWATTR
BNP Paribas GURU All Country Long ER 10 USD	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGW10	BNP Paribas	GWA10ER
BNP Paribas GURU All Country Long ER 15 USD	USD	Long	ER	Worldwide	0%	100%	15%	BNPIGW15	BNP Paribas	GWA15ER
BNP Paribas Conviction Action Monde ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPICA WD	BNP Paribas	CAWDER
BNP Paribas Conviction Action Europe ER	EUR	Long	ER	Europe	0%	100%	10%	BNPICAEU	BNP Paribas	CAEUER
BNP Paribas GURU All Country volcap 10 ER EUR ER	EUR	Long	ER	Worldwide	0%	100%	10%	BNPIGWE	BNP Paribas	GWEEER
GURU L/S volcap 7 TR EUR	EUR	Long/Short	TR	Europe+US	0%	100%	7%	BNPILSTR	Solactive	GLSTMATR
GURU L/S volcap 7 ER EUR	EUR	Long/short	ER	Europe+US	0%	100%	7%	BNPILSER	Solactive	GLSEMAER
GURU L/S volcap7 ER USD	USD	Long/short	ER	Europe+US	0%	100%	7%	BNPI50EU	BNP Paribas	GLSEUMAER
GURU L/S volcap7 TR USD	USD	Long/Short	TR	Europe+US	0%	100%	7%	BNPI50TU	BNP Paribas	GUGLSTTR
GURU L/S volcap 7 ER HUF ER	HUF	Long/Short	ER	Europe+US	0%	100%	7%	BNPILSEH	BNP Paribas	GULSEHER
BNPP GURU Europe isovol 15 ER Net	EUR	Long	ER	Europe	0%	150%	15%	BNPIGE15	BNP Paribas	GE15MARKITER
BNPP GURU Europe isovol 10 ER Net	EUR	Long	ER	Europe	0%	150%	10%	BNPIGE10	BNP Paribas	GE10MARKITER
BNPP GURU	EUR	Long	ER	US	0%	150%	15%	BNPIGU1	BNP	GU15ER

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
US isovol 15 ER Net								5	Paribas	
BNPP GURU US isovol 15 ER Net (RUB)	RUB	Long	ER	US	0%	150%	15%	BNPIGR15	BNP Paribas	GR15ER
Guru Asia x Japan x India Naked Net USD TR	USD	Long	TR	Asia	0%	100%	15%	BNPIGAX1	Solactive	GAXITR
GURU Global Emerging 6% Volatility target	USD	Long	ER	Emerging Markets	0%	100%	6%	BNPIGEM6	Solactive	GEM61ER
Guru All Country Total Return USD Net TR	USD	Long	TR	Worldwide	0%	100%	10%	BNPIGWAN	Solactive	GWANTR
Guru World Developed Naked Net TR	USD	Long	TR	World Developed	0%	100%	10%	BNPIGWDN	Solactive	GWDNTR
Guru Asia x Japan Naked Gross TR Index	USD	Long	TR	Asia	0%	100%	32%	BNPGALGT	Solactive	GALGTR
Guru Asia x Japan x India Naked Gross TR Index	USD	Long	TR	Asia	0%	100%	NA	BNPIGAXG	Solactive	GAXGTR
Guru Global Emerging Gross TR Index	USD	Long	TR	Emerging Markets	0%	100%	NA	BNPIGEMG	Solactive	GEMGTR
Guru Europe short naked TR Index	EUR	Long	TR	Europe	0%	100%	NA	BNPGESTR	Solactive	GESTR
Guru US long naked TR Index	USD	Long	TR	US	0%	100%	NA	BNPGULNT	Solactive	GULNTTR
Guru US short naked TR Index	USD	Long	TR	US	0%	100%	NA	BNPGUSTR	Solactive	GUSTR
Guru All Country Total Return USD Gross TR	USD	Long	TR	Worldwide	0%	100%	32%	BNPIGWAG	Solactive	GWAGTR
Guru Global Developed Naked Gross TR	USD	Long	TR	World Developed	0%	100%	NA	BNPIGW DG	Solactive	GWDGTR
BNP Paribas High Dividend Yield Europe TR EUR index	EUR	Long	TR	Europe	0%	100%	NA	BNPIHDE N	Solactive	HDENTR
Guru All Country Islamic Vol Cap 10 USD ER	USD	Long	ER	Worldwide	0%	100%	10%	BNPIGI10	BNP Paribas	GI10ER
Guru All Country Islamic Total Return USD Gross	USD	Long	TR	Worldwide	100%	100%	NA	BNPIGWI G	Solactive	GWIGTR
BNP Paribas Low Volatility Risk Premium Long Factor Europe TR Index	EUR	Long	TR	Europe	100%	100%	NA	BNPILVLF	BNP Paribas	LVLFR
BNP Paribas	EUR	Long	ER	Europe	100%	100%	NA	BNPILVR	BNP	LVRPER

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
Low Volatility Risk Premium Europe ER Index								P	Paribas	
Markit Guru Long Europe Naked TR	EUR	Long	TR	Europe	100%	100%	NA	BNPGELNT	Solactive	GELNMT R
BNP Paribas Guru Global Emerging Net Index	USD	Long	TR	Emerging Markets	100%	100%	NA	BNPIGEMN	Solactive	GEMN
BNP Paribas High Dividend Yield US TR USD index	USD	Long	TR	US	100%	100%	NA	BNPIHDUN	Solactive	HDUNTR
BNP Paribas GURU L/S Market Neutral volcap 7 ER Index	EUR	Long/Short	ER	Europe + US	0%	100%	7%	BNPILSNE	BNP Paribas	LSNEER
BNP Paribas Equity Value US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFVUG Index	Solactive AG	CI_FVUG TR
BNP Paribas Equity Momentum US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFMUG Index	Solactive AG	CI_FMUG TR
BNP Paribas Equity Low Vol US (EUR-Hedged) Index	EUR	Long	TR	US	100%	100%	NA	BNPIFLVH Index	BNP Paribas Arbitrage SNC	CI_FLVH TR
BNP Paribas DEFI Equity US Long Gross TR	USD	Long	TR	US	100%	100%	NA	BNPIDFUG Index	BNP Paribas Arbitrage SNC	CI_BNPID FUG
BNP Paribas Equity Quality US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFQUG Index	Solactive AG	CI_FQUG TR
BNP Paribas Equity Low Vol US Gross TR Index	USD	Long	TR	US	100%	100%	NA	BNPIFLUG Index	Solactive AG	CI_FLUG TR
BNP Paribas Equity High Dividend Europe LS (ER) Index	EUR	Long/short	ER	Europe	0%	0%	NA	BNPIHELE Index	BNP Paribas Arbitrage SNC	CI_HELE ER
BNP Paribas Equity High Dividend US LS (ER) Index	USD	Long/short	ER	US	0%	0%	NA	BNPIHULE Index	BNP Paribas Arbitrage SNC	CI_HULE ER
BNP Paribas Equity GURU Europe LS (ER) Index	EUR	Long/short	ER	Europe	0%	0%	NA	BNPIGELE Index	BNP Paribas Arbitrage SNC	CI_GELE ER
BNP Paribas Equity GURU US LS (ER) Index	USD	Long/short	ER	US	0%	0%	NA	BNPIGULE Index	BNP Paribas Arbitrage SNC	CI_GULE ER
BNP Paribas Equity Low Vol Germany Index	EUR	Long	TR	Europe	0%	0%	NA	BNPIFLVG Index	Solactive AG	CI_BNPIF LVG

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Equity Quality Buyback Eurozone Index	EUR	Long	TR	Europe	0%	0%	NA	BNPIBUY E Index	BNP Paribas Arbitrage SNC	CI_BUYE NTR
BNP Paribas High Dividend Yield Eurozone Equity Price Return Index	EUR	Long	TR	Europe	0%	0%	NA	BNPIHEZ P Index	Solactive AG	CI_HEZPP R
BNP Paribas GURU® Equity L/S TR EUR Index	EUR	Long/short	TR	Europe+U S	0%	30%	7%	BNPIGLS T Index	BNP Paribas Arbitrage SNC	CI_GLST TR
BNP Paribas GURU® Equity L/S ER Index	EUR	Long/short	ER	Europe+U S	0%	30%	7%	BNPIGLS E Index	BNP Paribas Arbitrage SNC	CI_GLSE ER
BNP Paribas DEFI Equity World Market Neutral 2X TR Index	USD	Long/short	TR	World Developed	0%	0%	NA	BNPIDW M2 Index	BNP Paribas Arbitrage SNC	CI_BNPID WM2
BNP Paribas DEFI Equity World Long Net TR	USD		TR	World Developed	100%	100%	NA	BNPIDFW T Index	BNP Paribas Arbitrage SNC	CI_BNPID FWT
BNP Paribas DEFI Equity World Market Neutral TR	USD	Long/short	TR	World Developed	0%	0%	NA	BNPIDW MN Index	BNP Paribas Arbitrage SNC	CI_BNPID WMN
BNP Paribas DEFI Equity Europe Market Neutral TR	EUR	Long/short	TR	Europe	0%	0%	NA	BNPIDEM N Index	BNP Paribas Arbitrage SNC	CI_BNPID EMN
BNP Paribas DEFI Equity US Market Neutral TR	USD	Long/short	TR	US	0%	0%	NA	BNPIDU MN Index	BNP Paribas Arbitrage SNC	CI_BNPID UMN
BNP Paribas DEFI Equity World Market Neutral ER 5%	USD	Long/short	ER	World Developed	0%	100%	5%	BNPIDWE 5 Index	BNP Paribas Arbitrage SNC	CI_BNPID WE5
BNP Paribas DEFI Equity Europe Market Neutral ER 5%	EUR	Long/short	ER	Europe	0%	100%	5%	BNPIDEE 5 Index	BNP Paribas Arbitrage SNC	CI_BNPID EE5
BNP Paribas DEFI Equity US Market Neutral ER 5%	USD	Long/short	ER	US	0%	100%	5%	BNPIDUE 5 Index	BNP Paribas Arbitrage SNC	CI_BNPID UE5
BNP Paribas Equity Momentum Europe	EUR	Long	TR	Europe	0%	100%	NA	BNPIFME Index	Solactive AG	CI_FMET R
BNP Paribas Equity Quality Europe	EUR	Long	TR	Europe	0%	100%	NA	BNPIFQE Index	Solactive AG	CI_FQET R
BNP Paribas Equity Value Europe	EUR	Long	TR	Europe	0%	100%	NA	BNPIFVE Index	Solactive AG	CI_FVET R
BNP Paribas Equity Low Volatility Europe	EUR	Long	TR	Europe	0%	100%	NA	BNPIFLV E Index	Solactive AG	CI_FLVE TR

Index Name	Currency	Long or Long /Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas High Dividend Europe Equity	EUR	Long	TR	Europe	0%	100%	NA	BNPIHEU N Index	Solactive AG	CI_HEUN TR
BNP Paribas High Dividend Yield Eurozone Equity	EUR	Long	TR	Europe	0%	100%	NA	BNPIHDE Z Index	Solactive AG	CI_HDEZ TR
BNP Paribas Equity Momentum US	USD	Long	TR	US	0%	100%	NA	BNPIFMU Index	Solactive AG	CI_FMUT R
BNP Paribas Equity Quality US	USD	Long	TR	US	0%	100%	NA	BNPIFQU Index	Solactive AG	CI_FQUT R
BNP Paribas Equity Value US	USD	Long	TR	US	0%	100%	NA	BNPIFVU Index	Solactive AG	CI_FVUT R
BNP Paribas Equity Low Volatility US	USD	Long	TR	US	0%	100%	NA	BNPIFLV U Index	Solactive AG	CI_FLVU TR
BNP Paribas High Dividend Yield US	USD	Long	TR	US	0%	100%	NA	BNPIHDU N Index	Solactive AG	CI_HDUN TR

## 2. Thematic Mutual Fund Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a long only exposure to the performance of a portfolio of 'Fund Shares' Index Component Types that are exposed to a given investment strategy ("Thematic").
2	Description of the process of selecting components weighting factors	Indices are generally equally weighted with components respecting performance and AUM constraints
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Fixed basket
7	Type of index	All Indices listed in the table below are part of the Thematic Mutual Fund Indices family of BNP Paribas indices

8	Index Currency	As described in the table below
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Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Starfonds EUR ER Index ER	EUR	ER	Star managers	0%	150%	5.00%	BNPISFEU	SFEUER
BNP Paribas Income Star Fund Index EUR ER	EUR	ER	Star managers	0%	150%	4.50%	BNPICST	ICSTER
BNP Paribas Russia Funds Index USD ER	USD	ER	Russia	0%	150%	18.00%	BNPIRUUE	RUUEER
BNP Paribas Fond Europe ER	EUR	ER	International Stocks	0%	150%	15.00%	BNPIFEEE	FEEER
BNP Paribas Flexible Fund Stars ER	EUR	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLST	FLSTER
BNP Paribas Star Absolute Return Funds CNSL Index ER	EUR	ER	Absolute Return	0%	150%	6.00%	BNPICNSL	CNSLER
BNP Paribas LATAM Equity Funds ER USD Index ER	USD	ER	LATAM	0%	150%	18.00%	BNPILAUUE	LAUER
BNP Paribas EM Square Index ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEME2	EME2ER
BNP Paribas Flexible Star Managers (PLN Hedged) Index ER	PLN	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSM	FLSMER
BNP Paribas Flexible Fund Stars Index (GBP) ER	GBP	ER	Flexible Star Managers	0%	150%	15.00%	BNPIFLSG	FLSGER
BNP Paribas SLI Enhanced Absolute Return Index EUR TR	EUR	TR	Absolute Return	0%	150%	15.00%	BNPIGARE	GARPR
BNP Paribas Emerging Markets Debt & Equity Funds Index USD ER	USD	ER	Emerging Markets	0%	150%	10.00%	BNPIEMUE	EMUEER
BNP Paribas Emerging Markets Debt & Equity Funds EUR Hedged ER	EUR	ER	Emerging Markets	0%	150%	10.00%	BNPIEMEE	EMEEER
BNP Paribas Russia Funds Index EUR Hedged ER	EUR	ER	Russia	0%	150%	18.00%	BNPIRUEE	RUEEER
BNP Paribas Africa Funds Index EUR ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFEE	AFEEER
BNP Paribas Africa Funds Square Index ER	EUR	ER	Africa	0%	150%	15.00%	BNPIAFE2	AFE2ER
BNP Paribas High Yielding Bond Fund EUR ER Index ER	EUR	ER	High Yield	0%	150%	5.00%	BNPIHYBF	HYBFER
BNP Paribas High Yield and	EUR	TR	High Yield	0%	150%	3.00%	BNPIHYET	HYETR



Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Emerging Bond Funds TR								
BNP Paribas High Yield and Emerging Bond Funds ER	EUR	ER	High Yield	0%	150%	3.00%	BNPIHYEE	HYEER
BNP Paribas Global High Yield and Investment Grade Bond Funds USD Index ER	USD	ER	High Yield	0%	150%	3.00%	BNPIHIUE	HIUEER
BNP Paribas Global High Yield and Investment Grade Bond Funds EUR Index ER	EUR	ER	High Yield	0%	150%	3.00%	BNPIHIEE	HIEEER
BNP Paribas CHINDIA Equity Funds EUR ER Index ER	EUR	ER	CHINDIA	0%	150%	18.00%	BNPICIEE	CIEER
BNP Paribas LATAM Equity Funds ER EUR Hedged Index ER	EUR	ER	LATAM	0%	150%	5.00%	BNPILAE	LAEER
BNP Paribas CHINDIA Equity Funds USD Hedged ER Index ER	USD	ER	CHINDIA	0%	150%	18.00%	BNPICIEU	CIUER
BNP Paribas Real Estate Funds USD Hedged Index ER	USD	ER	Real Estate	0%	150%	5.00%	BNPIREUE	REUEER
BNP Paribas Real Estate Funds (HUF Hedged) Excess Return Index ER	HUF	ER	Real Estate	0%	150%	10.00%	BNPIREHE	REHER
BNP Paribas Gold & Precious Metals Funds EUR ER Index ER	EUR	ER	Commodities	0%	150%	15.00%	BNPIGP	GPEER
BNP Paribas Africa Funds Index USD ER	USD	ER	Africa	0%	150%	15.00%	BNPIAFUE	AFUEER
Emergents & Investissement Index ER	EUR	ER	Emerging Markets	0%	150%	15.00%	BNPIEMIN	EMINER
BNP Paribas Europe America and Emergent ER	EUR	ER	Europe+US+ Emerging Markets	0%	150%	15.00%	BNPIEAEM	EAEMER
BNP Paribas Strategic Convictions Index ER	EUR	ER	Convictions	0%	150%	10.00%	BNPISCEE	SCEER
DobriniaNikitich Mutual Fund Isovol ER	RUB	ER	Mutual Fund	0%	NA	25.00%	BNPIDNRE	DNRER
BNP Paribas Gold & Precious Metals Funds	USD	ER	Commodity	0%	150%	15.00%	BNPIGPUE	GPUER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
USD Hedged ER Index ER								
Dobrynia Index USD ER	USD	ER	Dobrynia funds	0%	NA	25.00%	BNPIDNUR	DNUER
GOVERNMENT BOND FUND INDEX ER	EUR	ER	Government Bond	100%	100%	NA	BNPIGBTE	GBER
BNP Paribas Emerging Market Corporates Debt EUR ER Index ER	EUR	ER	Emerging Markets	0%	150%	4.00%	BNPIECE	ECEER
Indeks Funduszy Rynkow Wschodzaczych ER	PLN	ER	Rynkow Wschodzaczych funds	0%	150%	8.00%	ENHAEMPL	ENHAEMPL9ER
Cadiz SA tracker Risk Controlled 15% Index ER	ZAR	ER	South Africa	0%	100%	15.00%	BNPISAE	CSAER
Flexible Fund Stars Index (SEK)	SEK	ER	Flexible Star Managers	0%	150%	5.00%	ENHAFLST	ENHAFLSTER
KRW FX-Hedge on BNPIAFE2	KRW	ER	Africa	0%	150%	15.00%	ENHASHAF	ENHASHAFER
ABN AMRO Top Fixed Income Funds EUR Index	EUR	ER	Global Bonds	0%	150%	4.00%	ENHAATFE	ENHAATFEER
ABN AMRO Top Fixed Income Funds USD Index	USD	ER	Global Bonds	0%	150%	4.00%	ENHAATFU	ENHAATFUE R
ABN AMRO Top Fixed Income Funds AED Index	AED	ER	Global Bonds	0%	150%	4.00%	ENHAATFA	ENHAATFAE R
BNP Paribas Emerging Markets Local Debt Funds USD Index	USD	ER	Emerging Markets	0%	150%	5.50%	BNPIEMLU	EMLUER
FWR Emerging markets growth opportunities	EUR	TR	Emerging Markets	0%	150%	10.00%	BNPIEMGO	EMGOTR
BNP Paribas Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	150%	4.50%	BNPIICSR	ICSRER
BNP Paribas Flexible Fund Stars Index (USD)	USD	ER	Flexible Star Managers	0%	150%	5.00%	BNPIFLSU	FLSUER
Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	150%	5.00%	ENHASTAR	ENHASTAR3E R
African Exposure Fund Index	SEK	ER	Africa	0%	150%	15.00%	ENHAASFSE	ENHAASFSEER
BNP Paribas Newcits Fund Stars Index	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPINUST	NUST1ER
Open High Yield	EUR	ER	Mutual Fund	0%	150%	4.50%	ENHAOHY	ENHAOHY1E R
Global Diversified Funds Index	PLN	ER	Mutual Fund	0%	100%	10.00%	ENHAGDFI	GDFIER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Diversified Selected Funds ER Index	HUF	ER	Mutual Fund	0%	100%	10.00%	ENHADSFE	DSFEER
Alfa Capital Balanced Funds VC Strategy	EUR	TR	Mutual Fund	0%	150%	7.00%	ENHAACBF	ENHAACBFT R
Globalny Portfel Modelowy ER	PLN	ER	Mutual Fund	0%	150%	6.00%	ENHAPORT	ENHAPORTE R
Hungarian Selected Funds ER Index	HUF	ER	Mutual Fund	0%	100%	10.00%	ENHASUQU	ENHASUQU2 ER
Wealth Options BNPP Global Star Performers Index	EUR	TR	Mutual Fund	0%	100%	NA	BNPIGSPI	IGSPITR
Stabilna Strategia	PLN	TR	Mutual Fund	0%	100%	8.00%	BNPIPZUF	PZUFER
Alternative Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	4.00%	ENHAALFI	ALFIER
BNP Paribas Real Estate (EUR) ER Index	EUR	ER	Real Estate	0%	150%	10.00%	BNPIREEE	REEEER
BNP Paribas Real Estate Funds RUB Index	RUB	ER	Real Estate	0%	150%	10.00%	BNPIRERE	REREER
BNP Paribas Newcits Fund Stars Series 2 Index	EUR	ER	Mutual Fund	0%	150%	4.00%	BNPIN2ST	N2STER
BNP Paribas Income Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	4.50%	BNPICSU	ICSUER
Bond Funds Target Vol Index	RUB	ER	Bond Mutual Funds	0%	150%	4.50%	ENHAPFTV	ENHAPFTVER
BNP Paribas Fd - Income Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	4.50%	BNPICFT	ICFTER
BNP Paribas Fd – Income Fund Stars Index (RUB)	RUB	ER	Star managers	0%	150%	4.50%	BNPICFR	ICFR
BNP Paribas Fd - Income Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	450.00%	BNPICFU	ICFUER
BNP Paribas Fd - Flexible Fund Stars Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIFLT	FLFTER
BNP Paribas Fd - Flexible Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	5.00%	BNPIFLU	FLFUER
BNP Paribas Fd - Newcits- Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	4.00%	BNPIN2FT	N2FTER
BNP Paribas Fd - Newcits Fund Stars Series 2 Index (USD)	USD	ER	Star managers	0%	150%	4.00%	BNPIN2FU	N2FUER
BNP Paribas Fd - Emerging Market Debt &	RUB	ER	Emerging Markets Corporate	0%	150%	10.00%	BNPIEMFR	EMFRER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Equity Funds Index (RUB)			Debt					
BNP Paribas Fd - Flexible Fund Stars Index (GBP)	GBP	ER	Mutual Fund	0%	150%	5.00%	BNPIFLFG	FLFGER
Global Fixed Income Funds Index	USD	ER	Fixed Income	0%	150%	3.50%	ENHAGFIF	GFIFER
BNPP Global Dividend Funds Index	EUR	ER	Dividends	0%	150%	4.00%	BNPIGDFI	BNPIGDFIER
BNP Paribas Newcits Fund Stars Series 2 Index (USD)	USD	ER	Flexible Star Managers	0%	150%	4.00%	BNPIN2SU	N2SUER
BNP New Technology USD ER Index	USD	ER	New Technology	0%	150%	10.00%	BNPINTER	BNPINTER
BNP PBS Multi Asset	EUR	ER	Multi ASSET	0%	150%	9.00%	BNPIPBSM	BNPIPBSMER
Stabilna Strategia Plus	PLN	ER	Strategy	0%	100%	9.00%	BNPIPZU2	PZU2ER
Alternative Star Funds Index	PLN	ER	Flexible Star Managers	0%	150%	4.00%	ENHAASFI	ASFIER
Diversified Selected Funds II ER	HUF	ER	Diiversified	0%	100%	10.00%	ENHADSf2	DSF2ER
Globalna Strategia	PLN	ER	Strategy	0%	100%	9.00%	ENHAGLST	ENHAGLSTER
Advanced Fund Index	EUR	ER	Advanced	0%	100%	NA	ENHAMANF	ENHAMANFER
Newcits Selection Index	EUR	ER	Flexible Star Managers	0%	150%	3.00%	ENHANEWC	ENHANEWCER
BNP Paribas Fd - Emerging Markets Debt & Equity Funds Index (EUR)	EUR	ER	Emerging Market	0%	150%	10.00%	BNPIEMFT	EMFTER
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield	0%	150%	3.00%	BNPIHIFT	HIFTER
BNP Paribas Fd – Strategic Bond Fund Stars Index (EUR)	EUR	ER	High Yield	0%	150%	2.50%	BNPISBFT	SBFTER
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (EUR)	EUR	ER	Emerging Market	0%	150%	4.00%	BNPIECFT	ECFTER
Alternative Funds Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.00%	ENHAALFE	ALFEER
BNP Paribas Fd –Africa Equities Funds Index (EUR)	EUR	ER	Africa	0%	150%	15.00%	BNPIAEFT	AEFT
BNP Paribas Fd –Africa Equities Funds Index (SEK)	SEK	ER	Africa	0%	150%	15.00%	BNPIAEFS	AEFS

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Fd - Real Estate Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIREFT	BNPIREFT
BNP Paribas Fd - Real Estate Funds Index (USD)	USD	ER	Real Estate	0%	150%	10.00%	BNPIREFU	BNPIREFU
Newcits II Fund Index (SEK)	SEK	ER	Mutual Fund	0%	150%	4.00%	ENHAALF2	ALF2ER
BNP Paribas MS - Income Fund Stars Series 2 Index (EUR)	EUR	ER	Income Funds	0%	150%	5.00%	BNPI2CMT	2CMTER
BNP Paribas MS- Income Fund Star Series 2 Index (USD)	USD	ER	Income Funds	0%	150%	5.00%	BNPI2CMU	2CMUER
BNP Paribas Ms – MultiStrat Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFT	MSFT
Newcits Absolute Return Fund Index	SEK	ER	Mutual Funds	0%	150%	4.00%	ENHAALFAR	ALFARER
BNP Paribas MS – Newcits Fund Stars 3 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	3.50%	BNPIN3FT	N3FTER
BNP Paribas MS – Newcits Fund Stars 3 Index (USD)	USD	ER	Newcits Funds	0%	150%	3.50%	BNPIN3FU	N3FUER
Stars Select Fund Index (EUR)	EUR	ER	Newcits Funds	0%	150%	3.50%	ENHA2SFE	ENHA2SFE
Stars Select Fund Index (SEK)	SEK	ER	Newcits Funds	0%	150%	3.50%	ENHA2SFS	ENHA2SFS
ISCS Top Stocks Fund – Risk Controlled Index	CZK	TR	Mutual Fund	0%	125%	15.00%	BNPISCST	SCST
BNP Paribas Ms – MultiStrat Fund Stars Index (USD)	USD	ER	Mutual Fund	0%	150%	4.00%	BNPIMSFU	MSFU
Income Fund Champions Index	EUR	ER	Income	0%	150%	5.00%	ENHAINCH	INCHER
BNP Paribas MS - Newcits Fund Stars 3 Index (DKK)	DKK	ER	Absolute return	0%	150%	3.50%	BNPIN3FD	N3FD
BNP Paribas MS - Newcits Fund Stars 3 Index (SEK)	SEK	ER	Absolute return	0%	150%	3.50%	BNPIN3FS	N3FS
Fund Volatility Target Strategy KRW Index	KRW	ER	Fixed Income	0%	100%	4.00%	ENHAFVTK	ENHAFVTK
BNP Paribas WM ELITE 1 USD	USD	ER	Mixed	0%	150%	3.50%	BNPWME1	WMEL1
BNP Paribas MS - Allocation Fund Stars Index (USD)	USD	ER	Star managers	0%	150%	5.00%	BNPIAFSU	AFSU
BNP Paribas MS - Allocation Fund Stars Index	EUR	ER	Star managers	0%	150%	5.00%	BNPIAFST	AFST

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
(EUR)								
BNP Paribas MS - Allocation Fund Stars Index (DKK)	DKK	ER	Star managers	0%	150%	5.00%	BNPIAFSD	AFSD
BNP Paribas MS - Allocation Fund Stars Index (SEK)	SEK	ER	Star managers	0%	150%	5.00%	BNPIAFSE	AFSE
BNP Paribas Fd - High yield and emerging bond funds Index (EUR)	EUR	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFT	HEFTER
BNP Paribas Fd - High yield and emerging bond funds Index (USD)	USD	ER	Mutual Fund	0%	150%	3.00%	BNPIHEFU	HEFU
BNP Paribas Fd – Emerging Markets Corporate Debt Funds Index (USD)	USD	ER	Emerging Market	0%	150%	4.00%	BNPIECFU	ECFU
BNP Paribas Fd - Global High Yield and Investment Grade Bond Funds Index (USD)	USD	ER	High Yield	0%	150%	3.00%	BNPIHIFU	HIFU
BNP Paribas MS – Diversified Fund Star Index (EUR)	EUR	ER	Mutual Fund	0%	150%	4.50%	BNPIDFST	DFST
BNP Paribas MS – Diversified Fund Star Index (USD)	USD	ER	Mutual Fund	0%	150%	4.50%	BNPIDFSU	DFSU
BNP Paribas Fd - Real Estate Europe Funds Index (EUR)	EUR	ER	Real Estate	0%	150%	10.00%	BNPIRE2E	RE2E
BNP Paribas Fd - Real Estate Europe Funds Index (USD)	USD	ER	Real Estate	0%	150%	10.00%	BNPIRE2U	RE2U
BNP Paribas Ms – Sustainable Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	7.00%	BNPISFFT	SFFT
BNP Paribas Ms – Sustainable Fund Stars Index (USD-Hedged version)	USD	ER	Mutual Fund	0%	150%	7.00%	BNPISFFU	SFFU
BNP Paribas Ms – Equity L/S Fund Stars Index (EUR)	EUR	ER	Mutual Fund	0%	150%	7.00%	BNPIELFT	ELFT
BNP Paribas Ms – Equity L/S Fund Stars Index (USD-Hedged version)	USD	ER	Mutual Fund	0%	150%	7.00%	BNPIELFU	ELFU
BNP Paribas MSB - Income Fund Stars Series	EUR	TR	Income Funds	0%	100%	5.00%	BNPI2CMB	2CMB

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
2 Index (EUR)								
BNP Paribas MSB – MultiStrat Fund Stars Index (EUR)	EUR	TR	Mutual Fund	0%	100%	4.00%	BNPIMSF	MSFB
BNP Paribas MSB - Allocation Fund Stars Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIAFS	AFSFB
BNP Paribas MSB – Newcits Fund Stars 3 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	3.50%	BNPIN3F	N3FB
Swedish Mixed Allocation Funds Index (SEK)	SEK	ER	Mutual Fund	0%	150%	12.00%	BNPIASWE	ASWE
BNP Paribas MS - Income Fund Star Series 3 Index (EUR)	EUR	ER	Income Funds	0%	150%	4.00%	BNPII3MT	I3MT
BNP Paribas MS - Income Fund Star Series 4 Index (EUR)	EUR	ER	Income Funds	0%	150%	4.00%	BNPII4MT	I4MT
BNP Paribas MS - Income Fund Star Series 3 Index (USD-Hedged)	USD	ER	Income Funds	0%	150%	4.00%	BNPII3MU	I3MU
BNP Paribas MS - Income Fund Star Series 4 Index (USD-Hedged)	USD	ER	Income Funds	0%	150%	4.00%	BNPII4MU	I4MU
BNP Paribas MSB - Income Fund Star Series 3 Index (EUR)	EUR	TR	Income Funds	0%	100%	4.00%	BNPII3MB	I3MB
BNP Paribas MSB - Income Fund Star Series 4 Index (EUR)	EUR	TR	Income Funds	0%	100%	4.00%	BNPII4MB	I4MB
BNP Paribas MS - Allocation Fund Stars Series 3 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA3MT	A3MT
BNP Paribas MS - Allocation Fund Stars Series 4 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA4MT	A4MT
BNP Paribas MS - Allocation Fund Stars Series 3 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIA3MU	A3MU
BNP Paribas MS - Allocation Fund Stars Series 4 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIA4MU	A4MU
BNP Paribas MSB - Allocation Fund Stars Series 3 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIA3MB	A3MB
BNP Paribas MSB -	EUR	TR	Star managers	0%	100%	5.00%	BNPIA4MB	A4MB

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Allocation Fund Stars Series 4 Index (EUR)								
BNP Paribas MS – MultiStrat Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIM2MT	M2MT
BNP Paribas MS – MultiStrat Fund Stars Series 3 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIM3MT	M3MT
BNP Paribas MS – MultiStrat Fund Stars Series 2 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIM2MU	M2MU
BNP Paribas MS – MultiStrat Fund Stars Series 3 Index (USD Hedged)	USD	ER	Star managers	0%	150%	5.00%	BNPIM3MU	M3MU
BNP Paribas MSB – MultiStrat Fund Stars Series 2 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIM2MB	M2MB
BNP Paribas MSB – MultiStrat Fund Stars Series 3 Index (EUR)	EUR	TR	Star managers	0%	100%	5.00%	BNPIM3MB	M3MB
BNP Paribas MS – Newcits Fund Stars Series 4 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	4.00%	BNPIN4MT	N4MT
BNP Paribas MS – Newcits Fund Stars Series 5 Index (EUR)	EUR	ER	Newcits Funds	0%	150%	4.00%	BNPIN5MT	N5MT
BNP Paribas MS – Newcits Fund Stars Series 4 Index (USD Hedged)	USD	ER	Newcits Funds	0%	150%	4.00%	BNPIN4MU	N4MU
BNP Paribas MS – Newcits Fund Stars Series 5 Index (USD Hedged)	USD	ER	Newcits Funds	0%	150%	4.00%	BNPIN5MU	N5MU
BNP Paribas MS – Newcits Fund Stars Series 4 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	4.00%	BNPIN4MB	N4MB
BNP Paribas MS – Newcits Fund Stars Series 5 Index (EUR)	EUR	TR	Newcits Funds	0%	100%	4.00%	BNPIN5MB	N5MB
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIFT	GIFT
BNP Paribas Fd - Global Inflation Funds Index (USD-Hedged version)	USD	ER	Inflation bond	0%	150%	4.00%	BNPIGIFU	GIFU
Indeks Polskich Funduszy Dłużnych	PLN	TR	Polish Bond Funds	0%	100%	2.50%	ENHADLUZ	DLUZ



Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas MS - Global High Yield and Investment Grade Bond Funds Index (EUR)	EUR	ER	High Yield / IG	0%	150%	3.00%	BNPIHIMT	HIMT
BNP Paribas MS - Global High Yield and Investment Grade Bond Funds Net ER Index (EUR)	EUR	ER	High Yield / IG	0%	150%	3.00%	BNPIHIMN	HIMN
BNP Paribas MS - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIMT	GIMT
BNP Paribas MS - Global Inflation Funds Net ER Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIMN	GIMN
BNP Paribas Fd – Strategic Bond Fund Stars Net ER Index (EUR)	EUR	ER	Bond Funds	0%	150%	2.50%	BNPISBFN	SBFN
BNP Paribas Fd – Financial Bonds Funds Index (EUR)	EUR	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFT	FBFT
BNP Paribas Fd – Financial Bonds Funds Index (USD-hedged)	USD	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFU	FBFU
BNP Paribas FdB – Financial Bonds Funds Index (EUR)	EUR	TR	Financial Bonds	100%	100%	4.00%	BNPIFBFB	FBFB
BNP Paribas Fd – Financial Bonds Funds Net ER Index (EUR)	EUR	ER	Financial Bonds	0%	150%	4.00%	BNPIFBFN	FBFN
BNP Paribas Fd – Financial Bonds Funds TR Index (EUR)	EUR	TR	Financial Bonds	0%	150%	4.00%	BNPIFBFR	FBFR
BNP Paribas Fd – Short Duration High Yield Debt Funds Index (EUR)	EUR	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFT	SHFT
BNP Paribas Fd – Short Duration High Yield Debt Funds Index (USD-hedged)	USD	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFU	SHFU
BNP Paribas FdB – Short Duration High Yield Debt Funds Index (EUR)	EUR	TR	Short Duration High Yield Debt	100%	100%	4.00%	BNPISHFB	SHFB
BNP Paribas Fd – Short Duration High Yield Debt Funds Net ER Index (EUR)	EUR	ER	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFN	SHFN
BNP Paribas Fd – Short Duration High Yield Debt Funds TR Index (EUR)	EUR	TR	Short Duration High Yield Debt	0%	150%	4.00%	BNPISHFR	SHFR

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Fd – Bank Loans Funds Index (EUR)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFT	BLFT
BNP Paribas Fd – Bank Loans Funds Index (USD-hedged)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFU	BLFU
BNP Paribas FdB – Bank Loans Funds Index (EUR)	EUR	TR	Bank Loans Funds	100%	100%	4.00%	BNPIBLFB	BLFB
BNP Paribas Fd – Bank Loans Funds Net ER Index (EUR)	EUR	ER	Bank Loans Funds	0%	150%	4.00%	BNPIBLFN	BLFN
BNP Paribas Fd – Bank Loans Funds TR Index (EUR)	EUR	TR	Bank Loans Funds	0%	150%	4.00%	BNPIBLFR	BLFR
Swedish Mixed Allocation Adjusted Funds Index (SEK)	SEK	AR	Mutual Fund	0%	100%	11.00%	BNPIASWP	ASWPR
BNP Paribas MS - Allocation Fund Stars Series 2 Index (EUR)	EUR	ER	Star managers	0%	150%	5.00%	BNPIA2MT	A2MTER
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	TR	Inflation bond	0%	150%	4.00%	BNPIGIFB	GIFBTR
BNP Paribas Fd - Global Inflation Funds Index (EUR)	EUR	ER	Inflation bond	0%	150%	4.00%	BNPIGIFN	GIFNER
BNP Paribas Fd - Global Inflation Funds TR Index (EUR)	EUR	TR	Inflation bond	0%	150%	4.00%	BNPIGIFR	GIFRTR
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (EUR)	EUR	ER	SRI	0%	150%	4.00%	BNPIMIFN	MIFNER
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 TR (EUR)	EUR	TR	SRI	0%	150%	4.00%	BNPIMIFR	MIFRTR
BNP Paribas Fd - Multi Asset SRI Funds Index (EUR)	EUR	TR	SRI	100%	100%	4.00%	BNPIMIFB	MIFB
BNP Paribas Fd - Multi Asset SRI Funds AR Index (EUR)	EUR	TR	SRI	100%	100%	4.00%	BNPIMIEB	MIEB
BNP Paribas Fd - Multi Asset SRI Funds AR Index (USD)	USD	TR	SRI	100%	100%	4.00%	BNPIMIUB	MIUB
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (EUR)	EUR	ER	SRI	0%	150%	4.00%	BNPIMIFE	MIFE
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (USD-hedged)	USD	ER	SRI	0%	150%	4.00%	BNPIMIFU	MIFU

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Fd - Multi Asset SRI Funds Index VC 4 ER (SEK-hedged)	SEK	ER	SRI	0%	150%	4.00%	BNPIMIFS	MIFS
BNP Paribas Bonds and Equity Funds Allocation Index	EUR	Excess Return	Mutual Fund	0%	100%	8.00%	BNPIBEFA	BNPIBEFA
BNP Paribas FD - Alternative Risk Premia Funds Index (EUR)	EUR	ER	Risk Premia	0%	125%	4.00%	BNPIRPFE	RPFE
BNP Paribas FD - Alternative Risk Premia Funds TR Index (EUR)	EUR	TR	Risk Premia	0%	125%	4.00%	BNPIRPFT	RPFT
BNP Paribas FD - Alternative Risk Premia Funds Index (USD hedged)	USD	ER	Risk Premia	0%	125%	4.00%	BNPIRPFU	RPFU
BNP Paribas FD - Alternative Risk Premia Funds Index (EUR)	EUR	ER	Risk Premia	0%	125%	4.00%	BNPIRPFB	RPFB
BNP Paribas Emerging Credit Fund Index	EUR	ER	Credit	0%	150%	4.00%	BNPIECFE	CI_ECFEER
BNP Paribas Emerging Credit Fund USD Index	USD	ER	Credit	0%	150%	4.00%	BNPIECFU	CI_ECFUER
BNP Paribas World Flexible Bond Fund Index	EUR	TR	Credit	0%	150%	2.00%	BNPIWFBF	CI_WFBFTR
BNP Paribas World Flexible Bond Fund USD Index	USD	TR	Credit	0%	150%	2.00%	BNPIWFBU	CI_WFBUTR
Fondos Globales Diversificados Index	EUR	Total return	Diversified bond funds	0%	125%	3.25%	ENHABCI3 Index	CI_BCI3TR

### 3. Thematic Equity Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide exposure to the performance of a notional basket of 'Equity' Index Components. The Index comprises a basket of a minimum of 5 and a maximum of 50 'Equity' Index Components whose revenues are predominantly linked to a specific thematic
2	Description of the process of selecting components weighting factors	The objective of each Index is to provide exposure to the performance of a notional basket of 'Equity' Index Components. The Index comprises a basket of a minimum of 5 and a maximum of 50 'Equity' Index Components whose revenues are predominantly linked to a specific thematic.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as

		such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Generally twice a year
7	Type of index	All Indices listed in the table below are part of the Thematic Equity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Emerging Consumer ER	EUR	ER	Consumer	0%	200%	15%	BNPIECER	ECER
Ethibel ER	EUR	ER	Ethibel	0%	200%	15%	BNPIETER	ETER
Energy Efficiency ER	EUR	ER	Energy Efficiency	0%	200%	15%	BNPIEER	EEER
Emerging Infrastructure ER	EUR	ER	Infrastructure	0%	100%	18%	BNPIEIER	EIER
Agribusiness ER	EUR	ER	Agribusiness	0%	200%	15%	BNPIGAER	GAER
Agribusiness USD TR	USD	TR	Agribusiness	0%	200%	15%	BNPIGAUI	GAUTR
Grey Gold ER	EUR	ER	Grey Gold	0%	200%	15%	BNPIGGER	GGER
Global Infrastructure ER	EUR	ER	Infrastructure	0%	200%	15%	BNPIGIER	GIER
Global Waste Management ER	EUR	ER	Waste Management	0%	200%	15%	BNPIGWER	GWER
M&A ER	EUR	ER	M&A	0%	200%	SX5E	BNPIMAER	MAER
M&A TR	EUR	ER	M&A	100%	100%	NA	BNPIMATR	MATR
Renewable Energy ER	EUR	ER	Renewable Energy	0%	200%	15%	BNPIREER	REER
Global Water ER	EUR	ER	Water	0%	200%	15%	BNPIWAER	WAER
Next 11 Core 8 ER	EUR	ER	Emerging Markets	0%	100%	18%	BNPINEER	NEER
Renewable Energy USD TR	USD	TR	Renewable Energy	0%	200%	15%	BNPIREUI	REUTR
BNP Paribas High Div 15 TR Index	EUR	TR	High Dividend	0%	100%	15%	BNPIHDTR	HD15TR
BNPP Global Green Excess Return Index volcap 12% ER	EUR	ER	Green	0%	100%	12%	BNPIGRER	GEER
Key Idea ER	EUR	ER	Key Idea	0%	200%	SX5E	BNPIKIER	KIER
BNP Paribas High Div 15 ER	EUR	ER	High Dividend	0%	100%	15%	BNPIHDER	HD15EER

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Index								
BNP Paribas Inflation Equity USD TR	USD	TR	Inflation	100%	100%	NA	BNPIIEUT	IEUTR
BNP Paribas High Div Naked TR Index	EUR	TR	High Dividend	100%	100%	NA	BNPIHDNT	HDNTR
BNP Paribas High Dividend Yield Japan Equity Long TR	JPY	TR	High Dividend	100%	100%	NA	BNPIHDJT	HDJTTR
BNP Paribas African Consumer EUR TR	EUR	TR	Consumer	100%	100%	NA	BNPIACTR	ACTR
BNP Paribas African Consumer Isovol 15 EUR ER	EUR	ER	Consumer	0%	150%	15%	BNPIACER	ACERER
AXA Singapore Equity Select Index	SGD	PR	Singapore	0%	100%	11%	ENHAALS G	ENHAALS GPR
BNP Paribas World ex Japan Large Cap Tracker Index TR	USD	TR	World ex Japan	0%	200%	NA	BNPIWLCT	WLCTTR
Next 11 Core 8 SBox PR	EUR	PR	Next 11	0%	100%	NA	BNPINEPR	BNPINEPR
BNP Paribas Technology 15 RUB Index	RUB	ER	Techno	0%	150%	15%	BNPINTRE	NTRER
BNP Paribas Global Agribusiness Total Return Index (USD)	USD	TR	Agribusiness	0%	200%	15%	BNPIGATR	BNPIGATR
BNP Paribas Global Waste Management Total Return Index (USD)	USD	TR	Waste Management	100%	100%	NA	BNPIGWTR	BNPIGWTR
BNP Paribas Next 11 Core 8 Total Return Index (USD)	USD	TR	Emerging Markets	100%	100%	NA	BNPINETR	BNPINETR
BNP Paribas Global Renewable Energies Total Return Index (USD)	USD	TR	Renewable Energies	100%	100%	NA	BNPIRETR	BNPIRETR
BNP Paribas Global Water Total Return Index (USD)	USD	TR	Water	100%	100%	NA	BNPIWATR	BNPIWATR
BNP Paribas World Renewable Energy Total Return Index (EUR)	EUR	TR	Renewable Energies	100%	100%	NA	BNPIRETE	BNPRETE
Next dividend Low Risk Europe	EUR	PR	Efficient Europe	100%	100%	NA	BNPINXDV	NXDVPR
Next Dividend High Beta Europe	EUR	PR	Efficient Europe	100%	100%	NA	BNPINXHB	BNPINXHB PR

Index Name	Currency	Cash Kind	Thematic	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
Dynamic deep Value Equity Europe Index	EUR	PR	Efficient Europe	100%	100%	NA	ENHADEEP	DEEPPR
Deep Value Europe Select 50 PR Index	EUR	PR	Efficient Europe	100%	100%	NA	ENHADVE5	DVE5ER
Global Grey Gold Select 30 USD	USD	PR	Ageing Population	100%	100%	NA	BNPIGGGP	GGGPPR
Sélection de Valeurs Kepler Chevreux TR	EUR	NA	Recherche Equities	100%	100%	NA	ENHAKSPR	KSPR
Sélection de Valeurs Kepler Chevreux PR	EUR	NA	Recherche Equities	100%	100%	NA	ENHAKSTR	KSTR
World Sustainable Development Goals Select Index	USD	NA	Sustainable	100%	100%	NA	ENHAGOAL Index	CI_ENHAG OAL
BNP Paribas Equity World Global Goals NTR Index	USD	NA	Sustainable	100%	100%	NA	BNPIWGGN Index	CI_BNPIW GGN
BNP Paribas Equity Europe Climate Care	EUR	NA	Climate	100%	100%	NA	BNPIEECC Index	CI_EECC

#### 4. Fixed Exposure Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure ("Long") or negative exposure ("Short") to the performance of instruments of different kinds ("Instrument Kind") that can be a Future Contract ("Future") or a Forward ("Forward") or an Index ("Index") that are linked to a given reference instrument ("Reference Instrument").
2	Description of the process of selecting components weighting factors	Components and weights are fixed
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of

		the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Fixed Exposure Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas USD 10Y Futures Index ER	USD	Long	ER	Future	10-Year US Treasury Note	100%	BNPIF U10	BNP Paribas Arbitrage SNC	FU10ER
BNP Paribas USD EUR Forward Index ER	USD	Long	ER	Forward	USD-EUR Exchange Rate	100%	BNPIU SEU	BNP Paribas Arbitrage SNC	USEUER
BNP Paribas Eurozone Equity Futures Index ER	EUR	Long	ER	Future	DJ Euro Stoxx 50 Index	100%	BNPIF EU	BNP Paribas Arbitrage SNC	FEUER
BNP Paribas Australia Equity Futures Index ER	AUD	Long	ER	Future	S&P/ASX 200 INDEX	100%	BNPIF AU	BNP Paribas Arbitrage SNC	FAUER
BNP Paribas EUR 5Y Futures Index ER	EUR	Long	ER	Future	Euro-Bobl 5yr 6%	100%	BNPIF EU5	BNP Paribas Arbitrage SNC	FEU5ER
BNP Paribas EUR 10Y Futures Index ER	EUR	Long	ER	Future	Euro-Bund 10yr 6%	100%	BNPIF E10	BNP Paribas Arbitrage SNC	FE10ER
BNP Paribas Hong Kong Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG INDEX	100%	BNPIF HK	BNP Paribas Arbitrage SNC	FHKER
BNP Paribas Singapore Equity Futures Index ER	SGD	Long	ER	Future	MSCI SINGAPORE FREE	100%	BNPIF SG	BNP Paribas Arbitrage SNC	FSGER
BNP Paribas Japan Equity Futures Index ER	JPY	Long	ER	Future	NIKKEI 225	100%	BNPIFJP	BNP Paribas Arbitrage SNC	FJPER
BNP Paribas US Equity Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIF US	BNP Paribas Arbitrage SNC	FUSER
BNP Paribas UK Equity Futures Index ER	GBP	Long	ER	Future	FTSE 100 INDEX	100%	BNPIF GB	BNP Paribas Arbitrage SNC	FGBER
BNP Paribas US Equity 5Y Futures Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIF US5	BNP Paribas Arbitrage SNC	FUS5ER
BNP Paribas Taiwan Equity Futures Index ER	USD	Long	ER	Future	MSCI TAIWAN	100%	BNPIF TW	BNP Paribas Arbitrage SNC	FTWER
BNP Paribas China Equity Futures Index ER	HKD	Long	ER	Future	HANG SENG CHINA ENT INDX	100%	BNPIF CN	BNP Paribas Arbitrage SNC	FCNER
BNP Paribas Korea Equity Futures Index ER	KRW	Long	ER	Future	KOSPI 200 INDEX	100%	BNPIF KR	BNP Paribas Arbitrage SNC	FKRER
BNP Paribas GBP 10Y Futures Index ER	GBP	Long	ER	Future	UK 10yr 4.0 %	100%	BNPIF G10	BNP Paribas Arbitrage SNC	FG10ER
BNP Paribas Emergents Futures Index ER	USD	Long	ER	Future	MSCI EM	100%	BNPIF EM	BNP Paribas Arbitrage SNC	FEMER
BNP Paribas	EUR	Long	ER	Future	CBOE SPX	100%	BNPIV	BNP Paribas	VX5EER

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Volatility Front 5 days Futures Index ER					VOLATILITY INDEX		XSE	Arbitrage SNC	
BNP Paribas JPY 10Y Futures Index ER	JPY	Long	ER	Future	Jpn 10yr 6%	100%	BNPIFJ10	BNP Paribas Arbitrage SNC	FJ10ER
BNP Paribas Sweden Futures Index ER	SEK	Long	ER	Future	OMX STOCKHOLM 30 INDEX	100%	BNPIFSW	BNP Paribas Arbitrage SNC	FSWER
BNP Paribas Russia Futures Index ER	USD	Long	ER	Future	RUSSIAN RTS INDEX \$	100%	BNPIFRU	BNP Paribas Arbitrage SNC	FRUER
BNP Paribas Italy Futures Index ER	EUR	Long	ER	Future	FTSE MIB INDEX	100%	BNPIFIT	BNP Paribas Arbitrage SNC	FITER
BNP Paribas Spain Futures Index ER	EUR	Long	ER	Future	IBEX 35 INDEX	100%	BNPIFSP	BNP Paribas Arbitrage SNC	FSPER
BNP Paribas Netherlands Futures Index ER	EUR	Long	ER	Future	AEX-Index	100%	BNPIFNE	BNP Paribas Arbitrage SNC	FNEER
BNP Paribas EUR USD Forward Index ER	USD	Long	ER	Forward	EUR USD Exchange Rate	100%	BNPIEUUS	BNP Paribas Arbitrage SNC	EUUSER
BNP Paribas HKD USD Forward Index ER	USD	Long	ER	Forward	HKD USD Exchange Rate	100%	BNPIHKUS	BNP Paribas Arbitrage SNC	HKUSER
BNP Paribas South Africa Equity Futures Index ER	ZAR	Long	ER	Future	FTSE/JSE AFRICA TOP40 IX	100%	BNPIFSA	BNP Paribas Arbitrage SNC	FSAER
BNP Paribas Norway Futures Index ER	NOK	Long	ER	Future	OBX STOCK INDEX	100%	BNPIFNO	BNP Paribas Arbitrage SNC	FNOER
BNP Paribas CAD 10Y Futures Index ER	CAD	Long	ER	Future	Can 10yr 6%	100%	BNPIFC10	BNP Paribas Arbitrage SNC	FC10ER
BNP Paribas Turkey Equity Futures Index ER	TRY	Long	ER	Future	ISE NATIONAL 30	100%	BNPIFTU	BNP Paribas Arbitrage SNC	FTUER
BNP Paribas EUR 2Y Futures Index ER	EUR	Long	ER	Future	Euro-Schatz 2yr 6%	100%	BNPIFEU2	BNP Paribas Arbitrage SNC	FEU2ER
BNP Paribas Brazil Equity Futures Index ER	BRL	Long	ER	Future	BRAZIL BOVESPA INDEX	100%	BNPIFBR	BNP Paribas Arbitrage SNC	FBRER
BNP Paribas USD 30Y Futures Index ER	USD	Long	ER	Future	US 20yr 6%	100%	BNPIFU30	BNP Paribas Arbitrage SNC	FU30ER
BNP Paribas US Equity Futures (synch EU) Index ER	USD	Long	ER	Future	S&P 500 INDEX	100%	BNPIFUSS	BNP Paribas Arbitrage SNC	FUSSER
BNP Paribas Poland Equity Futures Index ER	PLN	Long	ER	Future	WSE WIG 20 INDEX	100%	BNPIFPL	BNP Paribas Arbitrage SNC	FPLER
BNP Paribas Switzerland Equity Futures Index ER	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFCH	BNP Paribas Arbitrage SNC	FCHER
BNP Paribas France Equity Futures Index ER	EUR	Long	ER	Future	CAC 40 INDEX	100%	BNPIFFR	BNP Paribas Arbitrage SNC	FFRER
BNP Paribas Germany Equity	EUR	Long	ER	Future	DAX INDEX	100%	BNPIFGE	BNP Paribas Arbitrage	FGEER



Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Futures Index ER								SNC	
BNP Paribas Canada Equity Futures Index ER	CAD	Long	ER	Future	S&P/TSX 60 INDEX	100%	BNPIF CA	BNP Paribas Arbitrage SNC	FCAER
BNP Paribas US Small Caps Equity Futures Index ER	USD	Long	ER	Future	RUSSELL 2000 INDEX	100%	BNPIF USC	BNP Paribas Arbitrage SNC	FUSCER
BNP Paribas EUR 5Y Index TR TR	EUR	Long	TR	Future	Euro-Bobl 5yr 6%	100%	BNPIF E5T	BNP Paribas Arbitrage SNC	FE5TR
BNP Paribas Equity Spread Euro STOXX50 Index Future vs CME S&P500 Index Future FX Hedged EUR Index TR TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	100%	BNPIS EUE	BNP Paribas Arbitrage SNC	SEUETR
BNP Paribas Equity Spread US vs Eurozone Future FX Hedged EUR Index TR	EUR	Long/Short	TR	Future	Euro Stoxx 50 Pr	-100%	BNPIS UEE	BNP Paribas Arbitrage SNC	SUEETR
Inav on BNP Paribas Short European Volatility Index EUR TR ER	EUR	Long	ETN	Index	BNP Paribas Short European Volatility Index EUR TR	100%	BNPIS VXI	BNP Paribas Arbitrage SNC	SVXIER
BNP Paribas US Equity X4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4 LUT	BNP Paribas Arbitrage SNC	LUTTR
BNP Paribas US Equity X4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X4 Daily Leverage Index TR	400%	BNPI4 LUI	BNP Paribas Arbitrage SNC	LUITR
BNP Paribas US Equity X-4 Daily Leverage Index TR	USD	Long	TR	Index	BNP Paribas US Equity Futures Index	400%	BNPI4S UT	BNP Paribas Arbitrage SNC	SUTTR
BNP Paribas US Equity X-4 Daily Leverage Index INAV	USD	Long	TR	Index	BNP Paribas US Equity X-4 Daily Leverage Index TR	400%	BNPI4S UI	BNP Paribas Arbitrage SNC	SUITR
BNP Paribas France 10Y Index ER	EUR	Long	ER	Future	Euro-OAT 10yr 6%	100%	BNPIF F10	BNP Paribas Arbitrage SNC	FF10ER
BNP Paribas Europe 30Y Index ER	EUR	Long	ER	Future	Euro 30yr 4%	100%	BNPIF E30	BNP Paribas Arbitrage SNC	FE30ER
BNP Paribas US 2Y Index ER	USD	Long	ER	Future	US 2yr 6%	100%	BNPIF US2	BNP Paribas Arbitrage SNC	FUS2ER
BNP Paribas Italy 10Y Index ER	EUR	Long	ER	Future	BTP 10yr 6%	100%	BNPIFI 10	BNP Paribas Arbitrage SNC	FI10ER
BNP Paribas China Onshore Futures Index	USD	Long	ER	Future	FTSE China	100%	BNPIF CNO	BNP Paribas Arbitrage SNC	FCNO2ER
BNP Paribas Japan Tokyo Futures Index ER	JPY	Long	ER	Future	Topix Index	100%	BNPIFJ T	BNP Paribas Arbitrage SNC	FJTER
BNP Paribas Emerging	JPY	Long	ER	Index	BNP Paribas Emerging	100%	BNPIE CJE	BNP Paribas Arbitrage	ECJEER

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
Currency Basket JPY ER Index					Currency Basket JPY ER Index			SNC	
BNP Paribas Switzerland 10Y Future Index	CHF	Long	ER	Future	SWISS MARKET INDEX	100%	BNPIFS10	BNP Paribas Arbitrage SNC	FS10ER
India Equity Select Index	INR	Long	TR	Index	NSE CNX NIFTY INDEX	100%	ENHAINUT	BNP Paribas Arbitrage SNC	INUTTR
BNP Paribas Europe Small Caps Equity Futures Index	EUR	Long	ER	Futures	Stoxx Europe Small 200 Index Future	100%	BNPIFEUS	BNP Paribas Arbitrage SNC	BNPIFEUS
China Equities Rolling Futures Index	HKD	Long	ER	Futures	H-shares Index Future	100%	BNSXFCCHI	Solactive	BNSXFCCHI
Emerging Equities Rolling Futures Index	USD	Long	ER	Futures	mini MSCI Emerging Markets Index Future	100%	BNSXFCME	Solactive	FEME
BNP Paribas Bond Futures Australia 3Y ER Index	AUD	Long	Cashless	Future	CAGB 3yr 6%	100%	BPBFA03 Index	BNP Paribas Arbitrage SNC	CI_BPBF03
BNP Paribas Bond Futures Australia 10Y ER Index	AUD	Long	Cashless	Future	CAGB 10yr 6%	100%	BPBFA10 Index	BNP Paribas Arbitrage SNC	CI_BPBF10
BNP Paribas Bond Futures Canada 10Y ER Index	CAD	Long	Cashless	Future	CGB 10yr 6%	100%	BPBFC10 Index	BNP Paribas Arbitrage SNC	CI_BPBF10
BNP Paribas Bond Futures Germany 2Y (Schatz) ER Index	EUR	Long	Cashless	Future	Schatz 2%	100%	BPBFE02 Index	BNP Paribas Arbitrage SNC	CI_BPBF02
BNP Paribas Bond Futures Germany 5Y (Bobl) ER Index	EUR	Long	Cashless	Future	Bobl 6%	100%	BPBFE05 Index	BNP Paribas Arbitrage SNC	CI_BPBF05
BNP Paribas Bond Futures Germany 10Y (Bund) ER Index	EUR	Long	Cashless	Future	Bund 10yr 6%	100%	BPBFE10 Index	BNP Paribas Arbitrage SNC	CI_BPBF10
BNP Paribas Bond Futures Germany 30Y (Long Bund) ER Index	EUR	Long	Cashless	Future	Bund 30yr 6%	100%	BPBFE30 Index	BNP Paribas Arbitrage SNC	CI_BPBF30
BNP Paribas Bond Futures France OAT 10Y ER Index	EUR	Long	Cashless	Future	OAT 10yr 6%	100%	BPBFF10 Index	BNP Paribas Arbitrage SNC	CI_BPBF10
BNP Paribas Bond Futures UK Long Gilt ER Index	GBP	Long	Cashless	Future	Gilt 10yr 4%	100%	BPBFG10 Index	BNP Paribas Arbitrage SNC	CI_BPBF10
BNP Paribas Bond Futures Italy BTP 2Y ER Index	EUR	Long	Cashless	Future	BTP 3yr 6%	100%	BPBF102 Index	BNP Paribas Arbitrage SNC	CI_BPBF102
BNP Paribas Bond Futures Italy BTP 10Y ER Index	EUR	Long	Cashless	Future	BTP 10yr 6%	100%	BPBF110 Index	BNP Paribas Arbitrage SNC	CI_BPBF110
BNP Paribas Bond Futures Japan JGB 10Y ER Index	JPY	Long	Cashless	Future	JGB 10yr 6%	100%	BPBFJ10 Index	BNP Paribas Arbitrage SNC	CI_BPBFJ10
BNP Paribas Bond Futures US Tsy 2Y ER Index	USD	Long	Cashless	Future	T-Note 2yr 6%	100%	BPBFU02 Index	BNP Paribas Arbitrage SNC	CI_BPBFU02
BNP Paribas Bond Futures US Tsy 5Y ER Index	USD	Long	Cashless	Future	T-Note 5yr 6%	100%	BPBFU05 Index	BNP Paribas Arbitrage SNC	CI_BPBFU05

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Bond Futures US Tsy 10Y ER Index	USD	Long	Cashless	Future	T-Note 10yr 6%	100%	BPBFU 10 Index	BNP Paribas Abritrage SNC	CI_BPBFU 10
BNP Paribas Bond Futures US Tsy 20Y ER Index	USD	Long	Cashless	Future	T-Bond 20yr 6%	100%	BPBFU 20 Index	BNP Paribas Abritrage SNC	CI_BPBFU 20
BNP Paribas Bond Futures US Tsy 30Y ER Index	USD	Long	Cashless	Future	T-Bond 30yr 6%	100%	BPBFU 30 Index	BNP Paribas Abritrage SNC	CI_BPBFU 30
BNP Paribas Money Market Access Euro 1st Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (1st)	25%	BPMM AE1E Index	BNP Paribas Abritrage SNC	CI_BPMM AE1E
BNP Paribas Money Market Access Euro 2nd Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (2nd)	25%	BPMM AE2E Index	BNP Paribas Abritrage SNC	CI_BPMM AE2E
BNP Paribas Money Market Access Euro 3rd Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (3rd)	25%	BPMM AE3E Index	BNP Paribas Abritrage SNC	CI_BPMM AE3E
BNP Paribas Money Market Access Euro 4th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (4th)	25%	BPMM AE4E Index	BNP Paribas Abritrage SNC	CI_BPMM AE4E
BNP Paribas Money Market Access Euro 5th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (5th)	25%	BPMM AE5E Index	BNP Paribas Abritrage SNC	CI_BPMM AE5E
BNP Paribas Money Market Access Euro 6th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (6th)	25%	BPMM AE6E Index	BNP Paribas Abritrage SNC	CI_BPMM AE6E
BNP Paribas Money Market Access Euro 7th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (7th)	25%	BPMM AE7E Index	BNP Paribas Abritrage SNC	CI_BPMM AE7E
BNP Paribas Money Market Access Euro 8th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (8th)	25%	BPMM AE8E Index	BNP Paribas Abritrage SNC	CI_BPMM AE8E
BNP Paribas Money Market Access Euro 5th-8th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (5th-8th)	100%	BPMM AERE Index	BNP Paribas Abritrage SNC	CI_BPMM AERE
BNP Paribas Money Market Access Euro 1st-4th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (1st-4th)	100%	BPMM AEWE Index	BNP Paribas Abritrage SNC	CI_BPMM AEWE
BNP Paribas Money Market Access Euro 1st-8th Futures ER EUR Index	EUR	Long	Cashless	Future	3mo Euro Euribor (1st-8th)	200%	BPMM AEXE Index	BNP Paribas Abritrage SNC	CI_BPMM AEXE
BNP Paribas Money Market Access Sterling 1st Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (1st)	25%	BPMM AG1G Index	BNP Paribas Abritrage SNC	CI_BPMM AG1G

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Money Market Access Sterling 2nd Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (2nd)	25%	BPMM AG2G Index	BNP Paribas Abritrage SNC	CI_BPMM AG2G
BNP Paribas Money Market Access Sterling 3rd Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (3rd)	25%	BPMM AG3G Index	BNP Paribas Abritrage SNC	CI_BPMM AG3G
BNP Paribas Money Market Access Sterling 4th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (4th)	25%	BPMM AG4G Index	BNP Paribas Abritrage SNC	CI_BPMM AG4G
BNP Paribas Money Market Access Sterling 5th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (5th)	25%	BPMM AG5G Index	BNP Paribas Abritrage SNC	CI_BPMM AG5G
BNP Paribas Money Market Access Sterling 6th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (6th)	25%	BPMM AG6G Index	BNP Paribas Abritrage SNC	CI_BPMM AG6G
BNP Paribas Money Market Access Sterling 7th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (7th)	25%	BPMM AG7G Index	BNP Paribas Abritrage SNC	CI_BPMM AG7G
BNP Paribas Money Market Access Sterling 8th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (8th)	25%	BPMM AG8G Index	BNP Paribas Abritrage SNC	CI_BPMM AG8G
BNP Paribas Money Market Access Sterling 5th-8th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (5th-8th)	100%	BPMM AGRG Index	BNP Paribas Abritrage SNC	CI_BPMM AGRG
BNP Paribas Money Market Access Sterling 1st-4th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (1st-4th)	100%	BPMM AGWG Index	BNP Paribas Abritrage SNC	CI_BPMM AGWG
BNP Paribas Money Market Access Sterling 1st-8th Futures ER GBP Index	GBP	Long	Cashless	Future	Sterling 3Mo Term Deposit (1st-8th)	200%	BPMM AGXG Index	BNP Paribas Abritrage SNC	CI_BPMM AGXG
BNP Paribas Money Market Access Eurodollar 1st Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (1st)	25%	BPMM AU1U Index	BNP Paribas Abritrage SNC	CI_BPMM AU1U
BNP Paribas Money Market Access Eurodollar 2nd Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (2nd)	25%	BPMM AU2U Index	BNP Paribas Abritrage SNC	CI_BPMM AU2U
BNP Paribas Money Market Access Eurodollar 3rd Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (3rd)	25%	BPMM AU3U Index	BNP Paribas Abritrage SNC	CI_BPMM AU3U
BNP Paribas Money Market Access Eurodollar 4th Futures ER	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (4th)	25%	BPMM AU4U Index	BNP Paribas Abritrage SNC	CI_BPMM AU4U

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
USD Index									
BNP Paribas Money Market Access Eurodollar 5th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (5th)	25%	BPMM AU5U Index	BNP Paribas Abritrage SNC	CI_BPMM AU5U
BNP Paribas Money Market Access Eurodollar 6th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (6th)	25%	BPMM AU6U Index	BNP Paribas Abritrage SNC	CI_BPMM AU6U
BNP Paribas Money Market Access Eurodollar 7th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (7th)	25%	BPMM AU7U Index	BNP Paribas Abritrage SNC	CI_BPMM AU7U
BNP Paribas Money Market Access Eurodollar 8th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (8th)	25%	BPMM AU8U Index	BNP Paribas Abritrage SNC	CI_BPMM AU8U
BNP Paribas Money Market Access Eurodollar 5th-8th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (5th-8th)	100%	BPMM AURU Index	BNP Paribas Abritrage SNC	CI_BPMM AURU
BNP Paribas Money Market Access Eurodollar 1st-4th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (1st-4th)	100%	BPMM AUWU Index	BNP Paribas Abritrage SNC	CI_BPMM AUWU
BNP Paribas Money Market Access Eurodollar 1st-8th Futures ER USD Index	USD	Long	Cashless	Future	Euro\$ 3Mo Term Deposit (1st-8th)	200%	BPMM AUXU Index	BNP Paribas Abritrage SNC	CI_BPMM AUXU
BNP Paribas EUR 2 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 2Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AEU2 Index	BNP Paribas Abritrage SNC	CI_BNSX AEU2
BNP Paribas EUR 3 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 3Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AEU3 Index	BNP Paribas Abritrage SNC	CI_BNSX AEU3
BNP Paribas EUR 5 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 5Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AEU5 Index	BNP Paribas Abritrage SNC	CI_BNSX AEU5
BNP Paribas EUR 7 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 7Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AEU7 Index	BNP Paribas Abritrage SNC	CI_BNSX AEU7
BNP Paribas EUR 10 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 10Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AE10 Index	BNP Paribas Abritrage SNC	CI_BNSX AE10
BNP Paribas EUR 20 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 20Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AE20 Index	BNP Paribas Abritrage SNC	CI_BNSX AE20
BNP Paribas EUR 30 Year Rolling Swap Excess Return Index	EUR	Long	Cashless	Forward	EUR 30Y Swap Fixed A/BB vs. 6M Euribor	100%	BNSX AE30 Index	BNP Paribas Abritrage SNC	CI_BNSX AE30
BNP Paribas USD 2 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 2Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AUS2 Index	BNP Paribas Abritrage SNC	CI_BNSX AUS2

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas USD 3 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 3Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AUS3 Index	BNP Paribas Abritrage SNC	CI_BNSX AUS3
BNP Paribas USD 5 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 5Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AUS5 Index	BNP Paribas Abritrage SNC	CI_BNSX AUS5
BNP Paribas USD 7 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 7Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AUS7 Index	BNP Paribas Abritrage SNC	CI_BNSX AUS7
BNP Paribas USD 10 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 10Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AU10 Index	BNP Paribas Abritrage SNC	CI_BNSX AU10
BNP Paribas USD 20 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 20Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AU20 Index	BNP Paribas Abritrage SNC	CI_BNSX AU20
BNP Paribas USD 30 Year Rolling Swap Excess Return Index	USD	Long	Cashless	Forward	USD 30Y Swap Fixed S/BB vs. 3M USD Libor	100%	BNSX AU30 Index	BNP Paribas Abritrage SNC	CI_BNSX AU30
BNP Paribas AUD 1M Fx Spot Index	USD	Long	Cashless	Forward	AUD/USD FX Spot Rate	100%	BPFXA UD1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 AUD
BNP Paribas BRL 1M Fx Spot Index	USD	Long	Cashless	Forward	BRL/USD FX Spot Rate	100%	BPFXB RL1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 BRL
BNP Paribas CAD 1M Fx Spot Index	USD	Long	Cashless	Forward	CAD/USD FX Spot Rate	100%	BPFXC AD1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 CAD
BNP Paribas CHF 1M Fx Spot Index	USD	Long	Cashless	Forward	CHF/USD FX Spot Rate	100%	BPFXC HF1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 CHF
BNP Paribas CLP 1M Fx Spot Index	USD	Long	Cashless	Forward	CLP/USD FX Spot Rate	100%	BPFXC LP1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 CLP
BNP Paribas COP 1M Fx Spot Index	USD	Long	Cashless	Forward	COP/USD FX Spot Rate	100%	BPFXC OP1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 COP
BNP Paribas CZK 1M Fx Spot Index	USD	Long	Cashless	Forward	CZK/USD FX Spot Rate	100%	BPFXC ZK1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 CZK
BNP Paribas EUR 1M Fx Spot Index	USD	Long	Cashless	Forward	EUR/USD FX Spot Rate	100%	BPFXE UR1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 EUR
BNP Paribas GBP 1M Fx Spot Index	USD	Long	Cashless	Forward	GBP/USD FX Spot Rate	100%	BPFXG BP1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 GBP
BNP Paribas HUF 1M Fx Spot Index	USD	Long	Cashless	Forward	HUF/USD FX Spot Rate	100%	BPFXH UF1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 HUF
BNP Paribas INR 1M Fx Spot Index	USD	Long	Cashless	Forward	INR/USD FX Spot Rate	100%	BPFXI NR1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 INR
BNP Paribas JPY 1M Fx Spot Index	USD	Long	Cashless	Forward	JPY/USD FX Spot Rate	100%	BPFXJ PY1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 JPY
BNP Paribas KRW 1M Fx Spot Index	USD	Long	Cashless	Forward	KRW/USD FX Spot Rate	100%	BPFXK RW1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 KRW
BNP Paribas MXN 1M Fx Spot Index	USD	Long	Cashless	Forward	MXN/USD FX Spot Rate	100%	BPFX MXN1 Index	BNP Paribas Abritrage SNC	CI_BPFX1 MXN

Index Name	Currency	Long / Short	Cash Kind	Instrument Kind	Reference Instrument	Exposure	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas NOK 1M FX Spot Index	USD	Long	Cashless	Forward	NOK/USD FX Spot Rate	100%	BPFXXN OK1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 NOK
BNP Paribas NZD 1M FX Spot Index	USD	Long	Cashless	Forward	NZD/USD FX Spot Rate	100%	BPFXXN ZD1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 NZD
BNP Paribas PHP 1M Fx Spot Index	USD	Long	Cashless	Forward	PHP/USD FX Spot Rate	100%	BPFXXP HP1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 PHP
BNP Paribas PLN 1M Fx Spot Index	USD	Long	Cashless	Forward	PLN/USD FX Spot Rate	100%	BPFXXP LN1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 PLN
BNP Paribas SEK 1M FX Spot Index	USD	Long	Cashless	Forward	SEK/USD FX Spot Rate	100%	BPFXXS EK1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 SEK
BNP Paribas SGD 1M Fx Spot Index	USD	Long	Cashless	Forward	SGD/USD FX Spot Rate	100%	BPFXXS GD1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 SGD
BNP Paribas TRY 1M Fx Spot Index	USD	Long	Cashless	Forward	TRY/USD FX Spot Rate	100%	BPFXXT RY1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 TRY
BNP Paribas TWD 1M Fx Spot Index	USD	Long	Cashless	Forward	TWD/USD FX Spot Rate	100%	BPFXXT WD1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 TWD
BNP Paribas ZAR 1M Fx Spot Index	USD	Long	Cashless	Forward	ZAR/USD FX Spot Rate	100%	BPFXXZ AR1 Index	BNP Paribas Arbitrage SNC	CI_BPFXX1 ZAR

## 5. Risk Control Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a "Reference Index". The exposure to the underlying is dynamically adjusted in order to control the risks associated with the Index, with a volatility control mechanism
2	Description of the process of selecting components weighting factors	Based on the volatility of components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Risk Control Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Poland RC 20 PLN Hedged ER	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	150%	20%	ENHAFPLP	FPLPER
BNP Paribas Risk-Controlled 10 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	10%	BNPI10UE	RC10USEER
BNP Paribas Risk-Controlled 15 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	15%	BNPI15UE	RC15USEER
BNP Paribas Risk-Controlled 20 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	20%	BNPI20UE	RC20USEER
BNP Paribas Risk-Controlled 25 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	25%	BNPI25UE	RC25USEER
BNP Paribas Risk-Controlled 30 US Equity Index ER	USD	ER	BNPP Paribas US Equity Futures Index	0%	NA	30%	BNPI30UE	RC30USEER
BNP Paribas Risk-Controlled 15 Eurozone Equity Index TR	EUR	TR	BNPP Paribas Eurozone Equity Futures Index	0%	NA	15%	BNPI15ET	SXE15TR
BNP Paribas Risk-Controlled 15 Eurozone Equity Index ER	EUR	ER	BNPP Paribas Eurozone Equity Futures Index	0%	NA	15%	BNPI15EE	SXE15ER
BRIC RC 10 PLN Hedged ER	PLN	ER	Dow Jones BRIC 50 All DR Volatility Risk Control Index	0%	150%	10%	ENHABRCP	BRCPER
Africa RC 10 PLN Hedged ER	PLN	ER	S&P Access Africa Daily Risk Control 10% Excess Return	0%	150%	10%	ENHAAFRP	AFRPER
BNP Paribas Volcap10 on 10Y American Bonds USD ER	USD	ER	Paribas USD 10Y Futures Index	0%	100%	10%	BNPI10U1	FU10_ISOVOL10ER
BNP Paribas Japanese Equity Dynamic Risk Control Index ER	JPY	ER	BNP Paribas Japan Tokyo Futures Index	0%	100%	10%	BNPIDJTE	DJTEER
BNP Paribas Japanese Equity Dynamic Risk Control Index TR	JPY	TR	BNP Paribas Japan Tokyo Futures Index	0%	100%	10%	BNPIDJTT	DJTT1TR
High Dividend RC 10 PLN Hedged ER Index	PLN	ER	Stoxx Global Dividend 100 Net Return Index	0%	100%	10%	ENHADVD P	ENHADVD PER
HIGH YIELD RC 10 PLN HEDGED ER Index	PLN	ER	BNP Paribas Poland Equity Futures Index	0%	100%	10%	ENHAYILD	ENHAYILDER
Russian Values Index	RUB	ER	BNPIFRU (Russia Futures Index) and SPGSGCP (GSCI Gold ER)	0%	150%	20%	ENHARVGI	ENHARVGIER
BNP Paribas World ex-Japan Equity	USD	TR	NIKKEI 225	0%	150%	20%	BNPIDWET	BNPIDWET TR



Index Name	Currency	Cash Kind	Reference Index	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Dynamic Risk Control Index TR								
BNP Paribas High Dividend Europe TR EUR	EUR	TR	SX5E Index	0%	100%	8%	BNPIHDE8	HDE8TR
BNP Paribas Maximum Income Equity Europe KRW 10 Index	KRW	ER	SX5E Index	0%	100%	10%	BNPIMIK1	MIK1ER
Insular Philippine Equity PHP Index	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHA21IL	ENHA21ILER
Asia Tiger Risk Control 10 Excess Return	RUB	ER	MSCI EM	0%	150%	10%	ENHAAT10E	AT10ER
BPI-Philam Asia Growth 3 Index	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHABAG3	ENHABAG3ER
Insular Philippine Equity PHP Index 2	PHP	ER	Phillipines Stock Exchange	0%	100%	10%	ENHAT2IL	T2ILER
BNP Multi-asset Index with Megatrend Overlay Index	USD	ER	Basket of 21 ETFs	0%	125%	6%	BNPIALCH	BNPIALCH

## 6. Millenium Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long/short basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk. The weights of the Index Components that comprise this basket are calculated taking into account their trends, volatility and/or correlation with the market and the other Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily

7	Type of index	All Indices listed in the table below are part of the Millenium Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Cadiz Dynamic New World Index TR	EUR	TR	0%	100%	12%	BNPICNWT	CNWTR
Millenium New World ER	EUR	ER	0%	100%	12%	BNPIMNWE	MNWER
Cadiz Dynamic New World Index ER	EUR	ER	0%	100%	12%	BNPICNWE	CNWER
Millenium US Centric ER	USD	ER	0%	100%	8%	BNPIMUER	MUER
CIMB Evergreen II Index ER	EUR	ER	-100%	100%	10%	CIMGEVG2	MMSEER
Millenium Japan 10 JPY TR	JPY	TR	0%	100%	10%	BNPIMJYT	MJYTR
Millenium 10 EUR Serie 3 TR	EUR	TR	0%	100%	10%	BNPIMV3T & BNPICGOT	MI3TR
Millenium Evergreen Master Series ER	EUR	ER	-100%	100%	10%	CIMGEVGR	CIMGEV2ER
BNP Paribas Millenium 10 Europe Series 3 (HUF Hedged) ER	HUF	ER	0%	100%	10%	BNPIMH3E	M10HS3ER
BNP Paribas NF8 Europe (PLN Hedged) ER	PLN	ER	0%	100%	8%	BNPINFPE	NF8PER
BNP Paribas Millenium Master Series Japan Vol 10 Index ER	JPY	ER	0%	100%	10%	BNPIMJ10	MJ10ER
BNP Paribas Millenium Master Series 11 Fx hedged EUR Index TR	EUR	TR	0%	100%	11%	BNPIMMFT	MMFTTR
BNP Paribas Longitude Fx hedged EUR TR Index TR	EUR	TR	0%	100%	10%	BNPILGFT	GFTTR
Millenium Master Series Futures EUR ER	EUR	ER	0%	100%	10%	BNPIMMSF	MMSFER
Millenium Federal Finance Master Series EUR ER	EUR	ER	0%	100%	10%	BNPIMFFE	MFFER
Millenium Master Series 8 EUR ER	EUR	ER	0%	100%	8%	BNPIM8EE	M8EEER
BNP Paribas Longitude EUR Index ER	EUR	ER	0%	100%	10%	BNPILGEE	GLEER
BNP Paribas Multi-Asset Inflation Strategy Vol 5 ER	EUR	ER	0%	100%	10%	BNPIMIE5	MIE5ER
BNP Paribas millenium master series (HUF Hedged) ER	HUF	ER	0%	100%	10%	BNPIMMSH	MMSHER
Millenium Master Sparkasse Bremen Vermoens strategie Index EUR ER	EUR	ER	0%	100%	10%	BNPISBME	MMSBER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
Millenium Master Series 8 PLN ER	PLN	ER	0%	100%	8%	BNPIM8PE	M8PEER
BNP Paribas Millenium Master Series USD Hedged Index ER	USD	ER	0%	100%	10%	BNPIMMUE	MMUEER
BNP Paribas Multi-Asset Aggressive (HUF Hedged) Index ER	HUF	ER	0%	100%	12%	BNPIM12H	M12HER
BNP Paribas Multi-Asset Conservative (HUF Hedged) Index ER	HUF	ER	0%	100%	6%	BNPIM6HE	M6HEER
BNP Paribas Multi-Asset Balanced (HUF Hedged) Index ER	HUF	ER	0%	100%	8%	BNPIM8HE	M8HEER
BNP Paribas Longitude HUF Hedged ER Index ER	HUF	ER	0%	100%	10%	BNPILGHE	GHEER
BNP Paribas Millenium Diversifie CRN Index ER	EUR	ER	0%	100%	8%	BNPIMCRN	MCRNER
BNP Paribas Master Series 10 PLN ER	PLN	ER	0%	100%	10%	BNPIMMPE	MMPEER
Millenium 10 Europe Series 3 (Sterling Hedged) TR	EUR	TR	0%	100%	10%	BNPIMS3T	MS3TR
BNP Paribas Multi-Asset Inflation Strategy Vol 10 ER	EUR	ER	0%	100%	10%	BNPIMIEE	MIEEER
Millenium New World TR	EUR	TR	0%	100%	12%	BNPIMNWT	MNWTR
Millenium US Centric TR	USD	TR	0%	100%	8%	BNPIMUTR	MUTR
Global Optimal Index ER	EUR	ER	-100%	100%	10%	ENHAGLOB	MMSE2ER
New Frontier 8 Europe TR	EUR	TR	0%	100%	8%	BNPINF8T	NF8TR
New Frontier 8 Europe ER	EUR	ER	0%	100%	8%	BNPINF8E	NF8ER
Millenium 10 EUR Serie 1 TR	EUR	TR	0%	100%	10%	BNPIMV1T	MITR
BNP Paribas Millenium Master Series 6 EUR ER	EUR	ER	0%	100%	10%	BNPIM6EE	M6EEER
BNP Paribas Millenium Master Series 12 EUR ER	EUR	ER	0%	100%	12%	BNPIM12E	M12EER
Millenium Finance ER	EUR	ER	0%	100%	10%	BNPIMFFT	MFER
BNP Paribas Millenium Diversified vol 4 EUR ER Index ER	EUR	ER	0%	150%	4%	BNPIMD4E	MD4EER
BNP Paribas Millenium Diversified EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIMDEE	MDEEER
Zurich Multi Asset Inflation Strategy Index ER	CHF	ER	0%	100%	10%	BNPIZMI6	ZMI6ER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Emerging Plus (HUF Hedged) ER index ER	HUF	ER	0%	100%	10%	BNPIEGHE	EGHEER
BNP Paribas Emerging Plus (PLN Hedged) ER Index ER	PLN	ER	0%	100%	10%	BNPIEPPE	EPPEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index ER	HUF	ER	NA	NA	NA	BNPIDIHE	DIHEER
BNP Paribas Enhanced Diversified (HUF Hedged) Index	HUF	ER	0%	100%	10%	BNPIDIHE	DIHE
Millenium CIMB Master Series EUR ER	EUR	ER	0%	100%	10%	CIMMILER	CIMV2ER
Cadiz Dynamic Global Opportunities Excess Return Index	EUR	ER	0%	100%	10%	BNPICGOE	MV3EER
New Frontier 5 Social Europe TR	EUR	TR	0%	100%	10%	BNPIN5SE	NF5SEER
World of Wealth Index	RUB	ER	0%	300%	8%	ENHAWWIR	ENHAWWIRER
BNP Paribas Balanced Allocation Index	EUR	TR	0%	100%	7%	BNPIBAI	BNPIBAI
BNP Paribas Classic Allocation Index	EUR	TR	0%	100%	10%	BNPICAI	BNPICAI
BNP Paribas Dynamic Allocation Index	EUR	TR	0%	100%	18%	BNPIDAI	BNPIDAI
BNP Paribas Multi-Asset Diversified vol 10 ER	EUR	ER	-33%	100%	10%	BNPIMD10	MD10ER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx hedged Index	USD	ER	-33%	100%	4%	BNPIMD4U	MD4U
BNP Paribas Multi-Asset Diversified USD Fx hedged Index	USD	ER	-33%	100%	8%	BNPIMDUE	MDUE
BNP Paribas Multi-Asset Diversified vol 4 EUR Global Index	EUR	ER	0%	150%	4%	BNPIMD4A	BNPIMD4A
BNP Paribas Multi-Asset Diversified vol 8 EUR Global Index	EUR	ER	0%	300%	8%	BNPIMD8A	BNPIMD8A
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Global Index	USD	ER	0%	300%	8%	BNPID8UA	BNPID8UA
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Global Index	USD	ER	0%	150%	4%	BNPID4UA	BNPID4UA
BNP Paribas Millenium 10 EUR Serie 3 TR ex Agri	EUR	TR	0%	100%	10%	BNPIM3EA	MI3EA

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Multi-Asset Diversified EUR ex Agri	EUR	ER	0%	300%	8%	BNPIMD8X	BNPIMD8X
BNP Paribas Dynamic Opportunities EUR ER Index	EUR	ER	100%	100%	4%	BNPIDOEE	DOEE
BNP Paribas Dynamic Opportunities EUR TR Index	EUR	TR	100%	100%	4%	BNPIDOET	DOET
BNP Paribas MultiAsset D	EUR	TR	0%	100%	10%	BNPIMAD	MADTR
BNP Paribas MultiAsset A	EUR	ER	0%	100%	12%	BNPIMAA	MAATR
BNP Paribas MultiAsset M	EUR	ER	0%	100%	6%	BNPIMAM	MAMTR
Aurora Aggressive	EUR	TR	0%	100%	12%	BNPIAUAG	AUAGTR
Aurora Dynamic	EUR	TR	0%	100%	10%	BNPIAUDY	AUDYTR
Aurora Moderate	EUR	TR	0%	100%	6%	BNPIAUMO	AUMOTR
Multi-Asset Strategie	EUR	ER	0%	150%	5%	BNPIMAS	MASER
BNP Paribas Multi Asset Diversified 5 Index	USD	ER	0%	100%	5%	BNPIMAD5	BNPIMAD5
BNP Paribas Multi-Asset Diversified vol 8 EUR Future Index	EUR	ER	0%	300%	8%	BNPIMD8F	MD8FER
BNP Paribas Multi-Asset Diversified vol 4 EUR Future Index	EUR	ER	0%	150%	4%	BNPIMD4F	MD4FER
BNP Paribas Multi-Asset Diversified vol 2 EUR Future Index	EUR	ER	0%	100%	2%	BNPIMD2F	MD2FER
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Future Index	USD	ER	0%	300%	8%	BNPID8UF	D8UFER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Future Index	USD	ER	0%	150%	4%	BNPID4UF	D4UFER
BNP Paribas Multi-Asset Diversified vol 2 USD Fx Hedged Future Index	USD	ER	0%	100%	2%	BNPID2UF	D2UFER
BNP Paribas Multi-Asset Diversified vol 10 EUR Future Index	EUR	ER	0%	300%	10%	BNPID10F	D10FER
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR TR	EUR	TR	100%	100%	4%	BNPIMDFT	MDFT
BNP Paribas MS - Multi Asset Dynamic Fund Index EUR ER	EUR	ER	100%	100%	4%	BNPIMDFE	MDFE
BNP Paribas Multi-Asset Diversified	EUR	ER	0%	300%	10%	BNPIMDEA	MD10EAER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
vol 10 ER ex Agri							
BNP Paribas Cross Asset Income Maximizer Vol 8 Index USD TR	USD	TR	0%	100%	8%	BNPIIM8U	M8U
BNP Paribas Cross Asset Income Maximizer Vol 8 Index EUR TR	EUR	TR	0%	100%	8%	BNPIIM8E	IM8E
BNP Paribas Multi Asset Global Income Index	EUR	ER	0%	200%	5%	BNPIMAGI	MAGI
BNP Paribas Multi-Asset Diversified Defensive EUR Index	EUR	ER	0%	200%	5%	BNPIMDDE	MDDEER
BNP Paribas Multi Asset Income Maximizer Vol 4 Index EUR AR	EUR	TR	100%	100%	4%	BNPIIM4E	IM4E
BNP Paribas Multi Asset Income Maximizer Vol 5 Index EUR AR	EUR	TR	100%	100%	5%	BNPIIM5E	IM5E
BNP Paribas Multi Asset Income Maximizer Vol 4 Index EUR ER	EUR	ER	100%	100%	4%	BNPIIME4	IME4
BNP Paribas Multi Asset Income Maximizer Vol 5 Index EUR ER	EUR	ER	100%	100%	5%	BNPIIME5	IME5
BNP Paribas Multi Asset Income Maximizer Vol 4 Index (USD-hedged)	USD	TR	100%	100%	4%	BNPIIM4U	IM4U
BNP Paribas Multi Asset Income Maximizer Vol 5 Index (USD-hedged)	USD	TR	100%	100%	5%	BNPIIM5U	IM5U
BNP Paribas Multi-Asset Diversified vol 16 EUR Future Index	EUR	ER	0%	600%	16%	BNPIMD16	MD16ER
BNP Paribas Multi-Asset Diversified vol 16 USD FX Hedged Future Index	USD	ER	0%	600%	16%	BNPID16U	D16UER
BNP Paribas Multi-Asset Diversified Protected EUR Index	EUR	ER	0%	400%	10%	BNPIMADP	MADP
BNP Paribas Multi-Asset Diversified Protected Vol 5 EUR Index	EUR	ER	0%	200%	5%	BNPIMDP5	MDP5
BNP Paribas Multi-Asset Diversified Protected USD Index	USD	ER	0%	400%	10%	BNPIMDPU	MDPU
BNP Paribas Multi-Asset Diversified Protected Vol 5 USD Index	USD	ER	0%	200%	5%	BNPIMP5U	MP5U
BNP Paribas Multi-Asset Diversified Defensive Global	EUR	ER	0%	200%	5%	BNPIMDDG	MDDGER

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
EUR Index							
BNP Paribas Smart Momentum Strategy EUR Index	EUR	ER	0%	200%	5%	BNPISMSE	SMSE
BNP Paribas Smart Momentum Strategy USD Index	USD	ER	0%	200%	5%	BNPISMSU	SMSU
BNP Paribas Smart Momentum Strategy Vol 4 EUR Index	EUR	ER	0%	200%	4%	BNPISM4E	SM4E
BNP Paribas Smart Momentum Strategy Vol 4 USD Index	USD	ER	0%	200%	4%	BNPISM4U	SM4U
BNP Paribas MS - Multi Style Fund Index (EUR)	EUR	ER	0%	150%	4%	BNPIMSTF	MSTF
BNP Paribas MS - Multi Style Fund Index (USD-Hedged)	USD	ER	0%	150%	4%	BNPIMSTU	MSTU
BNP Paribas MSB - Multi Style Fund Index (EUR)	EUR	TR	100%	100%	4%	BNPIMSTB	MSTB
Dynamic Allocation Fund Stars Index VC 4 ER (EUR)	EUR	ER	0%	150%	4%	ENHADDFSE	DFSE
Dynamic Allocation Fund Stars Index VC 4 ER (USD-hedged)	USD	ER	0%	150%	4%	ENHADFSU	DFSU
Dynamic Allocation Fund Stars Index	PLN	ER	0%	150%	4%	ENHADDFSP	DFSP
K Multi Asset RisK Opportunities Index	EUR	ER	0%	200%	5%	ENHAMARK	MARK
K Multi Asset RisK Opportunity Index TR	EUR	TR	0%	200%	5%	ENHAMART	MART
Dynamic Allocation Fund Stars Index TR (EUR)	EUR	TR	100%	100%	4%	ENHADFSB	DFSE
Dynamic Allocation Fund Stars Index VC 4 Net ER (EUR)	EUR	ER	0%	150%	4%	ENHADFSN	DFSN
Dynamic Allocation Fund Stars Index VC 4 AR (EUR)	EUR	TR	0%	150%	4%	ENHADFSR	DFSR
BNP Paribas Fd - Multi Asset SRI Funds Index VC 3 ER (EUR)	EUR	ER	0%	150%	3%	BNPIM3FE	M3FE
BNP Paribas Fd - Multi Asset SRI Funds Index VC 3 Net ER Index (EUR)	EUR	ER	0%	150%	3%	BNPIM3FN	M3FN

## 7. Platinum Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional basket of Index Components which are a diversified portfolio of BNP Paribas proprietary indices. Each Index Component implements an absolute return strategy, which is diversified and uncorrelated to the strategies implemented by other Index Components and each Index Component is chosen to represent a different asset class (Commodities, Volatility, Foreign Exchange
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		and Equities, respectively).
2	Description of the process of selecting components weighting factors	The Index Methodology is comprised of an equally weighted basket of the Index Components
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	<b>Frequency review</b>	Daily
7	<b>Type of index</b>	All Indices listed in the table below are part of the Platinum Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Platinum Asia Index USD ER	USD	ER	0%	150%	3%	BNPIPAUE	PAUEER
Platinum EUR ER	EUR	ER	0%	200%	3%	BNPITEER	TEER
Platinum 2 EUR ER	EUR	ER	0%	150%	3%	BNPIZEER	TE2ER
Platinum USD ER	USD	ER	0%	200%	3%	BNPITUER	TUER
Platinum 2 FX hedge PLN ER	PLN	ER	0%	150%	3%	BNPIZPER	TP2ER
Platinum 2 FX hedge CZK ER	CZK	ER	0%	150%	3%	BNPIZCER	TC2ER
BNP Paribas Maars Index EUR ER	EUR	ER	0%	100%	5%	BNPIMAE	MAEER
BNP Paribas Maars Fx hedged USD ER Index ER	USD	ER	0%	100%	5%	BNPIMAFU	MAFUER
BNP Paribas Maars 2 EUR ER Index ER	EUR	ER	0%	100%	5%	BNPIMAE2	MAE2ER
Platinum HUF ER	HUF	ER	0%	200%	3%	BNPITHER	THER
Platinum 3 EUR ER	EUR	ER	0%	150%	3%	BNPIP3EE	TE3ER
BNP Paribas platinum 3 FX hedge USD ER	USD	ER	0%	150%	3%	BNPIP3UE	TU3ER
BNP Paribas platinum 3 HUF fx-	HUF	ER	0%	150%	3%	BNPIP3HE	TH3ER



Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
hedged Index ER							
BNP Paribas Platinum Index Series 4 EUR ER	EUR	ER	0%	150%	3%	BNPIP4EE	P4EEER
BNP Paribas Platinum 3 Extended GBP Index ER	GBP	ER	0%	150%	3%	BNPIP3GX	P3GXER
BNP Paribas Platinum 3 Extended USD Index ER	USD	ER	0%	150%	3%	BNPIP3EX	P3EXER
BNP Paribas Platinum Index Series 4 ER USD Hedged ER	USD	ER	0%	150%	3%	BNPIP4UE	P4UER
BNP Paribas Platinum Index Series 4 GBP Hedged ER	EUR	ER	0%	150%	3%	BNPIP4GE	P4GEER
BNP Paribas Quatrum PLN hedged ER Index	PLN	ER	0%	150%	3%	BNPIP3PE	TUPER
BNP Paribas Platinum 5 USD ER	USD	ER	0%	100%	4%	BNPIP5UE	P5UEER
BNP Paribas Platinum 5 ex-Agri USD ER	USD	ER	0%	100%	4%	BNPIP5UA	P5UAER

## 8. Harbour Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide synthetic exposure to the performance of a notional long only basket of (i) BNP Paribas custom indices based on future contracts for equity indices, bond indices and FX forward indices; and (ii) third party commodity indices, third party equity indices on real estate, and ETIs referencing emerging markets, bonds, and gold miner equities
2	Description of the process of selecting components weighting factors	Proprietary allocation algorithm aimed at maximizing return for a predetermined level of risk
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily

7	Type of index	All Indices listed in the table below are part of the Harbour Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Cinergy Code
BNP Paribas Harbor vol 4 EUR Index ER	EUR	ER	0%	150%	4%	BNPIH4EE	H4EEER
BNP Paribas Harbor EUR ER Index ER	EUR	ER	0%	300%	8%	BNPIHBEE	HBEER
BNP Paribas Harbourvol 4 USD Fx Hedged ER Index ER	EUR	ER	0%	150%	4%	BNPIH4UE	H4UER
BNP Paribas Harbour USD Fx Hedged ER Index ER	EUR	ER	0%	300%	8%	BNPIHBUE	HBUER
BNP Paribas Risk Off Futures Index	EUR	ER	0%	250%	8%	BNPIROFE	ROFE
BNP Paribas Dynamic Risk Factor ETF Allocation Index	USD	TR	0%	100%	NA	BNPIDRFA Index	CI_DRFATR
BNP Paribas Dynamic Risk Factor ETF Allocation Isovol 5 Index	USD	ER	0%	150%	5%	BNPIDRF5 Index	CI_DRF5ER

#### 9. Flexinvest Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a synthetic exposure to the performance of a long only dynamic basket composed of a risky asset ("Risky Asset"), a deleverage asset ("Deleverage Asset") and money market assets
2	Description of the process of selecting components weighting factors	The respective weights of the component are determined by the Index Calculation Agent using the relative value of the Risky Asset to a set of its moving averages, and the volatility of the Risky Asset and/or Deleverage Asset.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of

		the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Flexinvest Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Risky Asset	Deleverage Asset	Bloomberg Code	Cinergy Code
Flex Invest Europe ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas EUR 5Y Futures Index	BNPIFLEU	FLEUER
Smart Trend HSCEI Excess return Index ER	USD	ER	BNP Paribas China Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPISTHK	STHKER
Flex Invest US ER	USD	ER	BNP Paribas US Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPIFLUS	FLUSER
Flex Invest BRIC ER	USD	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBR	FLBRER
BNP Paribas Flex Invest BRIC (EUR hedged) ER	EUR	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPISHBR	SHBRER
Taunus FlexInvest Index ER	EUR	ER	BNP Paribas Eurozone Equity Futures Index	BNP Paribas USD 5Y Futures Index	BNPITSFE	TSFEER
PBS Flexinvest Asia Index ER	USD	ER	Basket of 7 Asian future indexes	BNP Paribas USD 5Y Futures Index	PBSDFLAS	PBSDFLER
BNP Paribas Libra Emerging Markets PLN Index ER	PLN	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEP	FLEPER
BNP Paribas Emerging Markets RAPID CZK ER Index ER	CZK	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEC	FLECER
BNP Paribas Emerging Markets EUR ER Index ER	EUR	ER	iShares MSCI Emerging Markets Index	BNP Paribas USD 5Y Futures Index	BNPIFLEE	FLEEER
BNP Paribas Flex Invest BRIC (PLN hedged) ER	PLN	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBP	FLBPER
BNP Paribas Flex Invest BRIC (HUF hedged) ER	HUF	ER	S&P BRIC 40 NET TR	BNP Paribas USD 5Y Futures Index	BNPIFLBH	FLBHER
BNP Paribas Smart Trend Gold Index ER	USD	ER	Gold	NA	BNPIFLGC	FLGCER

#### 10. Volatility Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide a positive exposure ("Long") or positive and negative exposure ("Long /Short") or short exposure ("Short") to volatility through instruments of different kinds ("Instrument Kind") that can be Future Contract ("Future") or Option Contract ("Option") or Index ("Index").
2	Description of the process of selecting components weighting factors	Index dependant

3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Volatility Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Long or Long/Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Enhanced Volatility Strategy Index ER	USD	ER	Long	Future	CBOE SPX Volatility Index	BNPIVIX	VIXER
Classical Evolution Europe EUR ER	EUR	ER	Short	Index	Euro Stoxx 50 Volatility IndexVStoxx	BNPICEEE	CEEER
BNP Paribas Evolution Variance Euro Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEOEE	EOEER
SMARTVOL US Series TR	USD	TR	Long	Future	CBOE SPX Volatility Index	BNPISVUS	SVUTR
BNP Paribas Enhanced Long Short Volatility Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVXLS	VXLSER
BNP Paribas Enhanced Volatility Long Short 50 Index ER	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVX50	VX50ER
BNP Paribas Volatility Arbitrage US ER Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIVALS	VALSNER
BNP Paribas Enhanced Medium Term Vix Futures Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIEMTV	EMTVER
BNP Paribas Enhanced Short Term VIX Futures Index	USD	ER	Long/Short	Future	CBOE SPX Volatility Index	BNPIESTV	ESTVER
E_volution Advanced TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEVET	EVETNTR

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP PARIBAS DYNAMIC ROLLING 1YATMF STRADDLE EURO ER Index ER	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDSYE	DSYER
BNP PARIBAS DYNAMIC ROLLING 1YATMF STRADDLE US ER Index ER	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDSYU	DSYUER
BNP PARIBAS E-volution Variance Reppli US Excess Return Index ER	USD	ER	Short	Option	S&P 500 INDEX	BNPIEOUE	EOUER
BNP PARIBAS E-volution Variance Repli EU Excess Return Index ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORE	EORER
BNP Paribas Rolling Put Europe 3M 95 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE4	RPE4TR
BNP Paribas Rolling Put Europe 3M 100 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE3	RPE3TR
BBNP Paribas Rolling Put Europe 1Y 90 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE2	RPE2TR
BNP Paribas Rolling Put Europe 1Y 100 TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIRPE1	RPE1TR
BNP Paribas US Variance Replication Jun 12 USD TR	USD	TR	Long	Option	S&P 500 INDEX	BNPIURM2	URM2TR
BNP Paribas Europe 1Y Volatility TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPIV1EU	V1EUTR
E_volution Advanced ER	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIEVEE	EVAER
BNP Paribas Enhanced Volatility FX Hedged EUR Index TR	EUR	TR	Long	Future	CBOE SPX Volatility Index	BNPIVXET	VXETTR
BNP Paribas Inverse US Volatility Balanced Hedged in EUR TR TR	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVXVI	VXVITR
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Ask Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEA	YEATR
BNP PARIBAS Rolling 1Y ATMF Straddle Euro Total Return Bid Index TR	EUR	TR	Long	Option	DJ Euro Stoxx 50 Index	BNPISYEB	YEBTR
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Ask Index	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUA	YUATR

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
TR							
BNP PARIBAS Rolling 1Y ATMF Straddle US Total Return Bid Index TR	USD	TR	Long	Option	S&P 500 INDEX	BNPISYUB	YUBTR
BNP PARIBAS E-volution Variance Repli EU Total Return Index TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIEORT	EORTTR
BNP PARIBAS E-Volution Variance Repli US Total Return Index TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIEOUT	EOUTTR
BNP Paribas Vol Edge Term Structure Strategy index ER	EUR	ER	Long/Short	Option + Future	DJ Euro Stoxx 50 Index	BNPIVETS	VOLEER
BNP Paribas Europe 1Y Volatility for Short TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIVIES	V1ESTR
BNP Paribas US 1Y Volatility TR	USD	TR	Short	Option	S&P 500 INDEX	BNPIV1UA	V1UATR
BNP Paribas US 1Y Volatility for Short TR	US	TR	Short	Option	S&P 500 INDEX	BNPIV1UB	V1UBTR
BNP Paribas Short European Volatility Index EUR ER ER	EUR	ER	Short	Future	VSTOXX Index	BNPISVXE	SVXEER
BNP Paribas Short European Volatility Index EUR TR TR	EUR	TR	Short	Future	VSTOXX Index	BNPISVXT	SVXTTR
BNP Paribas Long European Volatility Index EUR TR TR	EUR	TR	Long	Future	VSTOXX Index	BNPIVXTR	VXTR
Inav on BNP Paribas Long European Volatility Index EUR TR TR	EUR	TR	Long	Future	VSTOXX Index	BNPIVXTI	VXTITR
BNP Paribas EU Volatility Futures 1 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX1	VXX11ER
BNP Paribas EU Volatility Futures 2 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX2	VXX21ER
BNP Paribas EU Volatility Futures 3 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX3	VXX31ER
BNP Paribas EU Volatility Futures 4 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX4	VXX4ER
BNP Paribas EU Volatility Futures 5 Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIVXX5	VXX51ER
BNP Paribas Dynamic Volatility 1YATMF Euro ER Index	EUR	ER	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIDS1E	DS1E1ER
BNP Paribas Dynamic Volatility	USD	ER	Long/Short	Option	S&P 500 INDEX	BNPIDS1U	DS1U1ER

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
1YATMF US ER Index							
BNP Paribas Evolution Variance Repli EU ER USD Index	USD	ER	Long	Option	DJ Euro Stoxx 50 Index	BNPIEORU	EORUER
BNP Paribas Enhanced Volatility Protection ER Index	USD	ER	Long	Future	VIX	BNPIEVPO	EVPO8ER
BNP Paribas Volatility EU Futures Index ER	EUR	ER	Long	Future	VSTOXX Index	BNPIFVXX	FVXXER
BNP Paribas Rolling Options Eurozone Leverage 3 TR	EUR	TR	Long	Index/Option	DJ Euro Stoxx 50 Index	BNPIROE3	ROE3TR
BNP Paribas Rolling Options Eurozone Leverage 5 TR	EUR	TR	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIROE5	ROE5TR
BNP Paribas Rolling Put UK 1Y 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPU1	RPU1TR
BNP Paribas Rolling Put UK 1Y 90 TR	GBP	TR	Long	Option	FTSE	BNPIRPU2	RPU2TR
BNP Paribas Rolling Put UK 3M 100 TR	GBP	TR	Long	Option	FTSE	BNPIRPU3	RPU3TR
BNP Paribas Rolling Put UK 3M 95 TR	GBP	TR	Long	Option	FTSE	BNPIRPU4	RPU4TR
BNP Paribas US Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX/ S&P 500 INDEX	BNPIUEDV	UEDVTR
BNP Paribas World ex Japan Equity & Dynamic Volatility TR Index	USD	TR	Long	Future/Index	VIX	BNPIWEDV	WEDVTR
BNP Paribas Eurozone Variance Replication Dec 14 EUR TR	EUR	TR	Long	Option	S&P 500 INDEX	BNPIERZ4	Z41TR
BNP Paribas Protection B25 TR Index	EUR	TR	Long/Short	Options	Eurostoxx 50 Options	BNPIPB25	PB25TR
BNP Paribas US Volatility Dynamic Short controlled ETN	USD	TR	Short	Future	CBOE SPX Volatility Index	BNPIVMRI	VMRITR
BNP Paribas Volatility Mean Reversion US	USD	ER	Short	Future	CBOE SPX Volatility Index	BNPIVMRU	VMRUER
BNP Paribas Short Variance Crude Oil Daily VG2 Index	USD	ER	Short	Option + Future	NYMEX WTI	BNPIVT2D	VT2DER
BNP Paribas Short Variance Brent Daily VG2 Index	USD	ER	Short	Option + Future	ICE BRENT	BNPIVB2D	VB2DER
BNP Paribas Short Variance Gold 2	USD	ER	Short	Option + Future	COMEX GOLD	BNPIVG2D	BNPIVG2DER

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
Daily VG2 Index							
BNP Paribas Commodity Short Variance CVXA ER Index	USD	ER	Short	Option + Future	BNPP Short Variance Crude Oil Daily VG2 Index, BNPP Short Variance Natural Gas Daily VG2 Index, BNPB Short Variance Gold 2 Daily VG2 Index, BNPP Short Variance Silver 2 Daily VG2 Index, BNPP Short Straddle Copper LME Daily VG2 Index, BNPP Short Straddle Aluminium LME Daily VG2 Index	BNPICVXA	CVXAER
BNP Paribas Commodity Strategy VRXA ER Index	USD	ER	Short	Option + Future	BNPP Short Variance RC Crude Oil Daily VG2 Index, BNPP Short Variance RC Brent Daily VG2 Index, BNPP Short Variance RC Natural Gas Daily VG2 Index, BNPP Short Variance RC Gold 2 Daily VG2 Index, BNPP Short Variance RC Silver 2 Daily VG2 Index, BNPP Short Straddle RC Copper LME Daily VG2 Index, BNPP Short Straddle RC Aluminium LME Daily VG2 Index	BNPIVRXA	VRXAER
BNP Paribas TIER EU 4% Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIE1	TIE1TR
BNP Paribas TIER EU 6% Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIEE	TIEETR
BNP Paribas TIER US 4% Index	USD	TR	Short	Option	S&P 500 Index	BNPITIUI	TIUI1TR
BNP Paribas TIER Switzerland 2% Index	CHF	TR	Short	Option	SMI Index	BNPITIS1	TIS1TR
BNP Paribas TIER T-Note Index	USD	ER	Short	Option	10-Year US Treasury Note Futures Contract	BNPITIT1	TIT1TR
BNP Paribas TIER Bund Index	EUR	ER	Short	Option	Euro-Bund Futures Contract	BNPITIB1	TIB1TR
BNP Paribas TIER UK 4% Index	GBP	TR	Short	Option	FTSE 100 Index	BNPITIG1	TIG1TR
BNP Paribas Stock Put Write US Index	USD	TR	Short	Option	US Single Stock	BNPISPUS	SPUSTR
BNP Paribas Stock Put Write EU Index	EUR	TR	Short	Option	EU Single Stock	BNPISPEU	SPEUTR
BNP Paribas Enhanced Covered EU TR Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIECEU	ECEUTR
BNP Paribas LEO EU ER Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPILEOE	LEOEER



Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Europe Rolling Call Delta 20 Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIERCD	ERCDEF
BNP Paribas Rolling Call EU Delta Cap ER Index	EUR	ER	Short	Option	DJ Euro Stoxx 50 Index	BNPIRCEE	RCEEER
BNP Paribas Enhanced Buy Write EUR TR	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPIBWEU	BWEUTR
BNP Paribas Covered Stock EU Top 10 Index	EUR	TR	Short	Option	Basket Top 10 EU Equity (SAN FP, FP FP, BNP FP, SAP GY, BAS GY, BAYN GY, SIE GY, ALV GY, DAI GY, UNA NA)	BNPICSET	CSETTR
BNP Paribas Buy-Write Danone Index	EUR	TR	Short	Option	BN FP Equity	BNPIBWBW	BWBNTTR
BNP Paribas Enhanced Covered US TR Index	USD	TR	Short	Option	S&P 500 Index	BNPIECUS	ECUSTR
BNP Paribas LEO US ER Index	USD	ER	Short	Option	S&P 500 Index	BNPILEOU	LEOUEER
BNP Paribas Rolling Call US Delta Cap ER Index	USD	ER	Short	Option	S&P 500 Index	BNPIRCUE	RCUEER
BNP Paribas Enhanced Buy Write US TR	USD	TR	Short	Option	S&P 500 Index	BNPIBWUS	BWUSTR
BNP Paribas Buy Write 103 US Total Return	USD	TR	Short	Option	S&P 500 Index	BNPIBWU6	BWU6TR
BNP Paribas Buy Write 103 JP Total Return	JPY	TR	Short	Option	Nikkei 225 Index	BNPIBWJ3	BWJ3TR
BNP Paribas Buy Write JP 98/104 TR Index	JPY	TR	Short	Option	Nikkei 225 Index	BNPIBWJP	BWJPTR
BNP Paribas LEO UK ER Index	GBP	ER	Short	Option	FTSE 100 Index	BNPILEOG	LEOGER
BNP Paribas UK Roll Call 103 Total Return	GBP	TR	Short	Option	FTSE 100 Index	BNPIRCU3	RCU3TR
BNP Paribas Enhanced Buy Write SW Total Return Index	CHF	TR	Short	Option	FTSE 100 Index	BNPIBWSW	BWSWTR
BNP Paribas South Africa Buy-Write TR Index	ZAR	TR	Short	Option	FTSE/JSE Top40 Index	BNPIBWSA	BWSATR
BNP Paribas TIER US Volatility Index	USD	TR	Short	Option	VIX Index	BNPITIV1	TIV1TR
BNP Paribas TIER US x2 Index	USD	TR	Short	Option	S&P 500 Index	BNPITI2U	TI2UTR
BNP Paribas TIER EU x2 Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITI2E	TI2ETR
BNP Paribas TIER 2 US Index	USD	TR	Short	Option	S&P 500 Index	BNPITIU2	TIU2TR
BNP Paribas TIER 2 EU Index	EUR	TR	Short	Option	DJ Euro Stoxx 50 Index	BNPITIEU	TIE2TR

Index Name	Currency	Cash Kind	Long or Long /Short or Short	Instrument Kind	Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Rolling Puts and Calls B5 US	USD	TR	Long/Short	Option	S&P 500 Index	BNPIPUS	PCUSTR
BNP Paribas Rolling Puts and Calls B5 EU	EUR	TR	Long/Short	Option	DJ Euro Stoxx 50 Index	BNPIPCEU	PCEUTR
BNP Paribas Rolling Puts and Calls B5 UK	GBP	TR	Long/Short	Option	FTSE 100 Index	BNPIPGB	PCGBTR

#### 11. Buy Write Indices: Systematic Sales of Options

1	Index strategy, investment policy, objective of the Index	The objective of each Index is either (i) to generate long-term performance similar to the Reference Instrument with lower volatility by taking a long position on the Reference Instrument while selling call options on the Reference Instrument or a benchmark to generate regular income during bearish market phases ("Buy Write" strategy), either (ii) to generate income during bearish market phases by selling call options on the Reference Instrument ("Alpha Buy Write" strategy).
2	Description of the process of selecting components weighting factors	Index dependant
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Buy Write Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Instrument	Strategy	Bloomberg Code	Cinergy Code
BNP Paribas Buy Write 103 JP Total Return	EUR	TR	Nikkei 225 Index	Buy-Write	BNPIBWJ3	BWJ3TR

Index Name	Currency	Cash Kind	Reference Instrument	Strategy	Bloomberg Code	Cinergy Code
BNP Paribas Rules-Based Overwrite Index Always USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOA	RBOANTR
Buy-Write Europe EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWEU	BWEUTR
Buy-Write SX5E 103 EUR TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIBWE4	BWE4TR
BNP PARIBAS Buy Write 103 US Total Return	EUR	TR	S&P 500 Index	Buy-Write	BNPIBWU6	BWU6TR
BNP PARIBAS ALPHA BUY WRITE 103 EUR TR INDEX	EUR	TR	DJ Euro Stoxx 50 Index	Alpha Buy-Write	BNPIAWE3	AWE3TR
BNP Paribas Alpha Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Alpha Buy-Write	BNPIAWU3	AWU3TR
Rule Based Overwriting Index USD TR	EUR	TR	S&P 500 Index	Buy-Write	BNPIRBOI	RBOINTR
BNP Paribas Rules-Based Overwrite Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIRBOE	RBOENTR
BNP Paribas Buy-Write 103 USD TR Index	EUR	TR	S&P 500 Index	Buy-Write	BNPIBW4U	BW4UTR
BNP Paribas Maximum Income Equity Europe Index TR	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPIMIET	MIETTR
PGDF Vente de calls US 102 98 ER	EUR	ER	S&P 500 Index	Buy-Write	BNPIPGUS	PGDFUSDER
PGDF Vente de calls Europe 102 98 ER	EUR	ER	DJ Euro Stoxx 50 Index	Buy-Write	BNPIPGEU	PGDFEURER
PGDF Vente de calls UK 102 98 TR	EUR	ER	FTSE100	Buy-Write	BNPIPGUK	PGDFGBPTR
BNP PARIBAS Dynamic Call Write Leverage 3 EUR TR Index	EUR	TR	DJ Euro Stoxx 50 Index	Buy-Write	BNPICWE3	CWE3TR
BNP Paribas Enhanced Buy Write SW Total Return Index TR	CHF	TR	SMI Index	Buy-Write	BNPIBWSW	BWSWTR
BNP Paribas UK Enhanced Income Buy Write Index	GBP	TR	FTSE100	Buy-Write	BNPIBWIK	IBWIKTR
BNP Paribas US Enhanced Income Buy Write Index	USD	TR	S&P 500 Index	Buy-Write	BNPIBWU7	IBWU7TR
BNP Paribas Option Vector HK Index	HKD	TR	HengSeng Index	Buy-Write	BNPIOVHK	OVHKTR
BNP Paribas UK Roll Call 103 Total Return TR	GBP	TR	FTSE100	Alpha Buy-Write	BNPIRCU3	RCU3TR
BNP Paribas Buy-Write Gold Index	USD	ER	COMEX GOLD	Buy-Write	BNPIBWGC	BNPIBWGCER

## 12. Alternative Strategy Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to deliver positive absolute return independently of market conditions.
2	Description of the process of selecting components weighting factors	Weighting is based on different Price based indicators

3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Alternative Strategy Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Strategy applied by Reference Instrument	Bloomberg Code	Cinergy Code
BNP Paribas Equity Extremum Reversion Risk Premia EUR Index	EUR	ER	Fixed Exposure Indices	BNPIEERP	IEERP
BNP Paribas Alternative Multi Style Index	EUR	ER	Risk Premia	BNPIAMSE	AMSE
BNP Paribas Alternative Multi Style Vol 2 Index	EUR	ER	Risk Premia	BNPIAMS2	AMS2
BNP Paribas Alternative Multi Style Vol 4 Index	EUR	ER	Risk Premia	BNPIAMS4	AMS4
BNP Paribas Alternative Multi Style Index (USD-Hedged)	USD	ER	Risk Premia	BNPIAMSU	AMSU
BNP Paribas Alternative Multi Style Vol 2 Index (USD-Hedged)	USD	ER	Risk Premia	BNPI2MSU	2MSU
BNP Paribas Alternative Multi Style Vol 4 Index (USD-Hedged)	USD	ER	Risk Premia	BNPI4MSU	4MSU
BNP Paribas RPAI XA Risk Premia Index	CHF	ER	Risk Premia	BNPIRPAI	RPAI
BNP Paribas Risk Premia Volatility Index	EUR	ER	Risk Premia	BNPIRPVO	BNPIRPVO
BNP Paribas Risk Premia Value Index	EUR	ER	Risk Premia	BNPIRPVA	BNPIRPVA
BNP Paribas Risk Premia Carry Index	EUR	ER	Risk Premia	BNPIRPCA	BNPIRPCA
BNP Paribas Risk Premia Momentum Index	EUR	ER	Risk Premia	BNPIRPMO	BNPIRPMO
BNP Paribas Risk Premia Multi Style Vol	EUR	ER	Risk Premia	BNPIRPM4	RPM4

Index Name	Currency	Cash Kind	Strategy applied by Reference Instrument	Bloomberg Code	Cinergy Code
4 Index					
BNP Paribas Risk Premia Multi Style Vol 5 Index	EUR	ER	Risk Premia	BNPIRPM5	RPM5
BNP Paribas Core Alternative Strategies Index	EUR	ER	Risk Premia	BNPICASE	CI_CASE
BNP Paribas Core Alternative World Strategies Index	EUR	ER	Risk Premia	BNPICASW	CI_CASW
BNP Paribas Equity Momentum Europe LS (ER) Index	EUR	ER	Risk Premia	BNPIPMEE	CI_MEEFR
BNP Paribas Equity Momentum Europe LS (NR) Index	EUR	TR	Risk Premia	BNPIPMEE	CI_PMETR
BNP Paribas Equity Quality Europe LS (ER) Index	EUR	ER	Risk Premia	BNPIPQEE	CI_QEEER
BNP Paribas Equity Quality Europe LS (NR) Index	EUR	TR	Risk Premia	BNPIPQEE	CI_PQETR
BNP Paribas Equity Value Europe LS (ER) Index	EUR	ER	Risk Premia	BNPIPVEE	CI_VEEER
BNP Paribas Equity Value Europe LS (NR) Index	EUR	TR	Risk Premia	BNPIPVEE	CI_PVETR
BNP Paribas Equity Low Vol Europe LS (ER) Index	EUR	ER	Risk Premia	BNPIPLEE	CI_LEEER
BNP Paribas Equity Low Vol Europe LS (NR) Index	EUR	TR	Risk Premia	BNPIPLVE	CI_PLVETR
BNP Paribas Equity High Dividend Europe LS (ER) Index	EUR	ER	Risk Premia	BNPIHELE	CI_HELEER
BNP Paribas Equity High Dividend Europe LS (NTR) Index	EUR	TR	Risk Premia	BNPIHELSE	CI_HELSTR
BNP Paribas Equity Momentum US LS (ER) Index	USD	ER	Risk Premia	BNPIPMUE	CI_MUEER
BNP Paribas Equity Momentum US LS (NR) Index	USD	TR	Risk Premia	BNPIPMUE	CI_PMUTR
BNP Paribas Equity Quality US LS (ER) Index	USD	ER	Risk Premia	BNPIPQUE	CI_QUEER
BNP Paribas Equity Quality US LS (NR) Index	USD	TR	Risk Premia	BNPIPQUE	CI_PQUTR
BNP Paribas Equity Value US LS (ER) Index	USD	ER	Risk Premia	BNPIPVUE	CI_VUEER
BNP Paribas Equity Value US LS (NR) Index	USD	TR	Risk Premia	BNPIPVUE	CI_PLUTR
BNP Paribas Equity Low Vol US LS (ER) Index	USD	ER	Risk Premia	BNPIPLUE	CI_LUEER
BNP Paribas Equity Low Vol US LS (NR) Index	USD	TR	Risk Premia	BNPIPLVUE	CI_PLVUTR
BNP Paribas Equity	USD	ER	Risk Premia	BNPIHULE	CI_HULEER

Index Name	Currency	Cash Kind	Strategy applied by Reference Instrument	Bloomberg Code	Cinergy Code
High Dividend US LS (ER) Index					
BNP Paribas Equity High Dividend US LS (NTR) Index	USD	TR	Risk Premia	BNPIHULS	CI_HULSTR
BNP Paribas Alternative Premia Choice	USD	ER	Risk Premia	BNPIAPCE	CI_BNPIAPCE
BNP Paribas Focus Five Index	USD	ER	Risk Premia	BNPIFOFI	CI_FOFI

### 13. Liberty Indices

1	<b>Index strategy, investment policy, objective of the Index</b>	The objective of each Index is to provide synthetic long or long/short exposure to the performance of a notional basket of Equity, Fund Shares, FX, Bond Rate, Money Market Rate, Index, Custom Index, Commodity, ETI or other Index Component Types. Each Series is maintained, calculated and rebalanced by the Index Calculation Agent following recommendations provided by an Index investment advisor (the "Index Investment Advisor") in collaboration with the Index Sponsor in accordance with the Index Methodology
2	<b>Description of the process of selecting components weighting factors</b>	Index Investment Advisor in collaboration with the Index Sponsor in accordance with the Index Methodology
3	<b>Methods and formulae of calculation</b>	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	<b>Index Calculation Agent</b>	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	<b>Adjustment rules</b>	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	<b>Frequency review</b>	At the hand of the Index investment advisor
7	<b>Type of index</b>	All Indices listed in the table below are part of the Liberty Indices family of BNP Paribas indices
8	<b>Index Currency</b>	As described in the table below

Index Name	Currency	Cash Kind	Index Investment Advisor	Bloomberg Code	Cinergy Code
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Index Name	Currency	Cash Kind	Index Investment Advisor	Bloomberg Code	Cinergy Code
BNP Paribas FundQuest Select Core Asset Vol 6 EUR ER	EUR	ER	Fund Quest	BNPIFCA6	FCA6ER
BPI-Philam Asia Growth Index ER	PHP	ER	BPI-Philam	ENHABAGI	ENHABAGIER
BPI-Philam Philippine Growth Index ER	USD	ER	BPI-Philam	ENHABPGI	HABPGIER
Fortis Investment Sigma Best Selection World EU PR	EUR	PR	BNP Paribas IP	FISBSWEP	SWEPR
Sigma SRI World V10 Index EUR PR	EUR	PR	BNP Paribas IP	BIPSSW1P	SSWPR
Cardif Liberty Action EUR ER Index	EUR	ER	Cardif	BNPICDLA	CDLAER
Noble Funds Global Perspective Index	PLN	ER	Noble Funds	ENHANFGP	ENHANFGPER
EFG AM Optimized Income Strategy	USD	ER	Mutual Fund	ENHAEFIS	ENHAEFISER
BPI-Philam Asia Growth 2 Index ER	PHP	ER	BPI-Philam	ENHABAG2	ENHABAG2ER
Phil-China Equity Index USD	USD	ER	BPI-Philam	ENHAPHCE	ENHAPHCEER
Flexible Vol Max 4.5	EUR	TR	Lazard Frères Gestion	ENHALFVM	LFVMTR
Cardif Liberty Rolling Put EUR TR Index	EUR	TR	Cardif	BNPICDLP	CDLPTR
BNP Pariba AL-4U Index	EUR	TR	BNP Paribas Wealth Management	BNPIAL4U	AL4UTR
BNP Pariba AL-4U Index ER	EUR	ER	BNP Paribas Wealth Management	BNPIEV4U	EV4UER
Flexible Vol Max 7.5	EUR	TR	Lazard Frères Gestion	ENHALFV2	LFV2TR
Newcits Funds Index	EUR	ER	KBL European Private Bankers S.A.	ENHAKBLE	KBLEER
E-cerTiFicates Index	EUR	TR	None	BNPIECTF	ECTFTR
BNP Paribas Global Fund Composite Index	EUR	TR	Banca Popolare di Milano S.c.a.r.l.	BNPIGFCI	GFCITR
BNP New Technology TR	USD	TR	None	BNPINTTU	NTUTR
Flexible 5 Vol Max 3.5%	EUR	TR	Lazard Frères Gestion	ENHALFV5	LFV5
Bedrock-Decalia Silver Generation Index	EUR	TR	Bedrock Decalia	ENHABDAP	CI_ENHABDAP
JSS Impact Opportunities Equities Isovola	USD	TR	Safra Sarasin	ENHAJSSV	CI_ENHAJSSV
JSS Impact Opportunities Equities NTR	USD	TR	Safra Sarasin	ENHAJSSI	CI_ENHAJSSI
Sustainable Generation Index	USD	TR	Sanso	ENHASISG	CI_ENHASISG
GG long term Equity Portfolio Index	USD	TR	Kepler	ENHAGGLT	CI_ENHAGGLT
DIVAS Smart Invest Index	USD	ER	DIVAS	ENHADSI	CI_ENHADSI
Sustainable Generation Index	USD	TR	Sanso Investment Solutions	ENHASISG	CI_ENHASISG
GG Long Term Equity Portfolio Index	USD	TR	Kepler Capital Markets	ENHAGGLT	CI_ENHAGGLT

#### 14. Alternative Synthetic Tracker Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Index is to provide synthetic exposure to the performance of a notional basket of various Index Component Types which are rebalanced on a regular basis with the objective of replicating a long or short position in the global hedge fund industry. The index aims at tracking this exposure by using a dynamic allocation between liquid major market indices. The Hedge Funds industry performance will be represented by a benchmark and the objective of the index will be to minimize the expected tracking error versus this benchmark
2	Description of the process of selecting components weighting factors	The rebalancing will be conducted based on a "tracking" algorithm which aims at optimizing the long replication of the benchmark on an "ex ante" basis
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Monthly
7	Type of index	All Indices listed in the table below are part of the Alternative Synthetic Tracker Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Name	Currency	Cash Kind	Bloomberg Code	Cinergy Code
BNP Paribas Alternative Synthetic Tracker (ALSSTAR) Index TR	USD	TR	BNPIAS	ALSSTTR
BNP Paribas Alternative Synthetic Tracker (ALSTAR) Index TR	USD	TR	BNPIAT	ALSTTR

#### 15. Daily Weekly Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index (Dynamic or Fixed) is to monetize the mean reversion of returns of equity futures on a specific index (" <b>Reference Index</b> "). The process is synthetically systematically getting long realized volatility computed with daily returns and short realized volatility computed with weekly returns
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2	Description of the process of selecting components weighting factors	Achieved through delta replication and subject to a maximum exposure of 200% and a minimum exposure of -200%.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Daily Weekly Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Fixed/Dynamic	Bloomberg Code	Cinergy Code
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (dynamic rescale) ER	EUR	ER	Euro Stoxx 50	Dynamic	BNPIDWED	WEDER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) ER	EUR	ER	Euro Stoxx 50	Fixed	BNPIDWEF	WEFER
BNP Paribas Mean Reverting Daily Weekly Europe Strategy (fixed rescale) TR	EUR	ER	Euro Stoxx 50	Fixed	BNPIDTEF	TEFTR
BNP Paribas Mean Reverting Daily Weekly US Strategy (dynamic rescale) ER	USD	ER	S&P 500 Index	Dynamic	BNPIDWUD	WUDER

## 16. Commodity Indices

### 16.1 Oscillator Indices

1	Index strategy, investment policy, objective of the Index	The Oscillator indices are a family of commodity indices, each comprised of commodity mono-indices, whose objective is to provide exposure to a diversified basket of up to 19 commodities. A so-called 'momentum' strategy is employed, which means that the strength of the price of each commodity compared to the market as a whole is taken into account when determining the daily weight of each commodity mono-index of which the index is comprised. Exposure to the commodity mono-indices is achieved by holding
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		hedge positions in the futures contracts of which the mono-indices are comprised
2	Description of the process of selecting components weighting factors	The maximum weight of each commodity is 20%. In addition, the weighting of the indices in petroleum components (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) is limited to 35% in aggregate
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Index Component	Volatility Control	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Oscillator Commodities ER Core Index	USD	ER	Basket of S&P GSCI Dynamic Roll Commodity Mono-Indices	NA	BNP Paribas	BNPMOCCE	MOCCEER
BNP Paribas Oscillator Commodities ER Index	USD	ER	Basket of Diapason Commodities Mono-Indices	11%	BNP Paribas	BNPIOSCE	OSCER

## 16.2 BNP Paribas Alpha Curve DR Index

The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index. The target weights of the index components of the enhanced index are derived from the weight of each commodity comprised in the Dow Jones-UBS Commodity ex-Precious Metals Index and are adjusted on a yearly basis to maintain the target weighting. If, on any day on which the index is calculated, the weight of any such commodity is observed to be greater than 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) is greater than 35%

each, an additional reweighting of the enhanced index will be performed. This mechanism is designed to ensure that the index does not become too highly concentrated in any single commodity, or in the petroleum or soybean sectors. The number of index components in the enhanced index may be adjusted on a yearly basis, following any adjustment of the composition of the Dow Jones-UBS ex-Precious Metals Commodity Index.

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Curve DR Index is to capture the outperformance of an investment in various S&P GSCI Dynamic Roll Indices versus an investment in the Dow Jones-UBS ex Precious Metals Commodity index by providing (i) long exposure to an enhanced index, comprised of a basket of the Dow Jones-UBS Soybean Oil Index and various S&P GSCI Dynamic Roll Indices and (ii) short exposure to the Dow Jones – UBS ex-Precious Metals Commodity Index
2	Description of the process of selecting components weighting factors	Weight of most commodities capped to 20% of the enhanced index or the weighting of the enhanced index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) capped to 35%
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Curve DR Index	USD	CL	Dow Jones – UBS Commodity ex-Precious Metals Index	S&P	BNPIDRAC	DRACER
BNP Paribas DR Alpha ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	S&P	BNPIDRXA	DRXAER
BNP Paribas DR Alpha ex-Agriculture and	USD	ER	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIDRX3	DRX3ER

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
Livestock Vol. 3% Index						
BNP Paribas DR Alpha ex-Agriculture and Livestock Vol. 3% EUR Index	EUR	ER	BNP Paribas DR Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIDRXE	DRXE
BNP Paribas DRXA ex-Natural Gas Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock, Precious Metals and Natural Gas	BNP Paribas	BNPIDRXN	DRXNER
BNP Paribas 03 Alpha Index	USD	ER	Bloomberg Commodity Index	BNP Paribas	BNPIFMN3	A3PER
BNP Paribas 03 Alpha ex-Agriculture and Livestock ER Index	USD	ER	Bloomberg Commodity Index excluding Agriculture and Livestock	BNP Paribas	BNPI03AX	03AXER
BNP Paribas 03 Alpha ex-Agriculture and Livestock ex-Natural Gas ER Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock, Precious Metals and Natural Gas	BNP Paribas	BNPI03XN	03XNER

### 16.3 BNP Paribas Alpha Backwardation Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Backwardation Index is to capture the outperformance of the commodities whose prices are the mostbackwardated by comparison to the commodity market as a whole. The index generates returns by taking long positions in the most backwardated commodities and short positions in the least backwardated commodities comprised in the Dow Jones-UBS Commodity Index, investing in various Dow Jones-UBS Mono Indices to do so.
2	Description of the process of selecting components weighting factors	The index allocation is determined from (i) daily monitoring of the forward curve shape of each commodity comprised in the Dow Jones-UBS Commodity Index and (ii) the weight of each such commodity. The target weights of the index components are calculated on a daily basis and are based on the relative degree of backwardation or contango of such index component. The maximum weight of any such commodity is 20% of the index (whether long or short) and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) may not exceed 35% each
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and

		sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Backwardation Index	USD	CL	Dow Jones – UBS Commodity Index	S&P	BNPIF3AB	F3ABER
BNP Paribas Alpha Backwardation ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	BNP Paribas	BNPINBXA	NBXAER

#### 16.4 BNP Paribas Alpha Momentum Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Alpha Momentum Index is to capture the outperformance of the recent best performing commodities comprised in the Dow Jones-UBS Commodity Index. Commodities which have underperformed the market are weighted negatively, while commodities which have outperformed the market are weighted positively, the weight of each commodity being proportional to its weight in the Dow Jones-UBS Commodity Index
2	Description of the process of selecting components weighting factors	The weights of each index component are calculated on a daily basis and the maximum weight of any such commodity is 20% of the index (whether long or short) and the weighting of the index to the petroleum sector (Brent and WTI crude oil, heating oil, unleaded gasoline and gasoil) or soybean sector (soybeans and soybean oil) may not exceed 35% each (whether long or short).
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").

5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Alpha Momentum Index	USD	CL	Dow Jones - UBS Commodity Index	S&P	BNPIF3AM	F3AMER
BNP Paribas Alpha Momentum ex-Agriculture and Livestock Index	USD	ER	Bloomberg Commodity Index excluding Agriculture, Livestock and Precious Metals	BNP Paribas	BNPINMXA	NMXAER

#### 16.5 BNP Paribas Strategy B52 Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Strategy B52 Index is to provide exposure to the commodity market enhanced by i) optimised investment in futures contracts determined according to the forward curve of the relevant commodity and ii) optimal allocation methodology based on price trends and forward curve shape observations
2	Description of the process of selecting components weighting factors	Weights of commodities that have recently outperformed the market or that present the most backwardated forward curves are increased, while weights of commodities that have recently underperformed the market or that present the least backwardated forward curves are decreased
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of

		the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy B52 Index ER	USD	CL	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	BNP Paribas	BNPIB52P	B52P
BNP Paribas Strategy B52 Index 10% Index	USD	CL	BNP Paribas Strategy B52 Index ER	BNP Paribas	BNPIB52V	B52V
BNP Paribas Strategy B52 Index 10% Index EUR Hedged Daily	EUR	CL	BNP Paribas Strategy B52 Index ER	BNP Paribas	BNPIB52E	B52E

#### 16.6 BNP Paribas Enhanced Roll Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Enhanced Roll Index is to provide broad and UCITS compliant exposure to the commodity market enhanced by optimised investment in futures contracts, determined according to the forward curve of the relevant commodity
2	Description of the process of selecting components weighting factors	The exposure to each commodity is achieved mainly through S&P GSCI Dynamic Roll indices, indices which are themselves invested in future contracts and which use a dynamic roll mechanism, taking into account the shape of the forward curve for the relevant commodity, to reduce the potentially negative effect of rolling futures contracts due to expire on the value of the index.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly

7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Strategy C51 Index	USD	CL	Bloomberg Commodity Index	Standard and Poor's	BNPIC51P	C51P2ER
BNP Paribas Strategy C52 10% Index	USD	ER	BNP Paribas Strategy C52 Index	BNP Paribas	BNPIC52V	C52VER
BNP Paribas Strategy C52 10% EUR Index	EUR	ER	BNP Paribas Strategy C52 Index	BNP Paribas	BNPIC5VE	C5VE
Optimized Roll Commodity Excess Return Index	USD	CL	Bloomberg Commodity Index	Standard and Poor's	EBCIWTE	EBCIWTE
Optimised Roll Commodity Total Return Index	USD	CL	Bloomberg Commodity Index Total Return	Standard and Poor's	EBCIWTT	EBCIWTT
BNP Paribas Energy & Metals Enhanced Roll ER Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	BNPIC52P	C52PER
BNP Paribas Energy & Metals Enhanced Roll TR Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	BNPIC52T	C52TTR
BNP Paribas Energy & Metals Enhanced Roll ER Index 10%	USD	ER	BNP Paribas Energy & Metals Enhanced Roll ER Index	BNP Paribas	BNPIEM10	EM10
BNP Paribas Energy & Metals Enhanced Roll ER Index 10% EUR Hedged Daily	EUR	ER	BNP Paribas Energy & Metals Enhanced Roll ER Index	BNP Paribas	BNPIEM1E	EM1E
Backwardation Enhanced Optimized Roll Commodity ex-Agriculture and Livestock Excess Return Index	USD	ER	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Standard and Poor's	EBCIWXA	EBCIWXA
Backwardation Enhanced Optimized Roll Commodity ex-Agriculture and Livestock Total Return Index	USD	TR	Bloomberg Commodity ex-Agriculture and Livestock Capped Total Return Index	Standard and Poor's	EBCIWXT	EBCIWXT

#### 16.7 BNP Paribas Backwardation Momentum DR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Backwardation Momentum DR Alpha Index is to capture the return of a portfolio having a long position in an optimised basket of commodities and a short position in the DJUBS Commodity Index. The optimised basket is comprised
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		of the same commodities as the DJUBS Commodity Index, but exposure to each commodity is made through investment in S&P Dynamic Roll Indices
2	Description of the process of selecting components weighting factors	The weight of each commodity in the optimised follow a momentum mechanism that increases the weights of commodity which have recently outperformed the market, and a backwardation mechanism that increases the weights of commodity presenting the most downward sloping forward curves
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Backwardation Momentum DR Alpha Index	USD	CL	Dow Jones – UBS Commodity Index	BNP Paribas	BNPIBMDA	BMDAER
BNP Paribas Backwardation Momentum DR Alpha 5% RUB Hedged Index	RUB	CL	BNP Paribas Backwardation Momentum DR Alpha Index	BNP Paribas	BNPIBA5R	IBA5ER

#### 16.8 BNP Paribas Short ER and TR Indices

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Short ER and TR Indices is to provide short exposure to the associated Reference Index on either an excess or total return basis
2	Description of the process of selecting components weighting factors	The Indices contain an automatic rebalancing method, which rebalances each Index if the performance of the Reference Index, measured from the immediately preceding Automatic Index Rebalancing Date or the Index Start Date (where no Automatic Index Rebalancing Date has occurred), is greater than 65%.
3	Methods and formulae of	The Index Methodology governing each Index shall be available on <a href="https://indices-">https://indices-</a>

	calculation	globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity specified in the tables below (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Systematic
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices
8	Index Currency	As described in the table below

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Short Copper ER Index	USD	ER	S&P GSCI Copper Official Close Index	BNP Paribas	BNPISLPE	BNPISLPEER
BNP Paribas Short Crude Oil ER Index	USD	ER	S&P GSCI Crude Oil Official Close Index	BNP Paribas	BNPISCOE	BNPISCOEER

#### 16.9 BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index

1	Index strategy, investment policy, objective of the Index	The objective of the BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index (the " <b>BNP Paribas Index</b> ") is to provide absolute return performance by employing a strategy that takes position on spreads of commodity future contracts.
2	Description of the process of selecting components weighting factors	The Index strategy invests in a portfolio of spread of commodity future contracts which systematically rolls on a daily basis a fifth of its notional value, selling spreads positions and buying new ones, to capture the difference in carry cost between future contracts. During the 5th to the 9th Index Calculation Day of each month the Index strategy is limited only to closing spreads positions avoiding the potentially negative effect on buying new future spread position during the roll period of the main commodity benchmarks.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Each Index is calculated, maintained, and published by the entity

		specified in the tables below (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf">https://indices-globalmarkets/bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Yearly.
7	Type of index	All Indices listed in the table below are part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the table below.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	USD	ER	NA	BNP Paribas	BNPIPRXA	PRXA
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 2% Isovol	USD	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIPRX2	PRX2
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 3% Isovol	USD	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index	BNP Paribas	BNPIPRX3	PRX3
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPRXE	PRXE
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 2% Isovol EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPR2E	PR2E
BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index 3% Isovol EUR Hedged Daily	EUR	ER	BNP Paribas Dynamic Pre-Roll Alpha ex-Agriculture and Livestock Index EUR Hedged Daily	BNP Paribas	BNPIPR3E	PR3E

#### 16.10 BNP Paribas Commodity Dynamic Market Neutral 3.5% Target Volatility ER Index

1	Index strategy, investment policy, objective of the Index	The objective of the index is to provide exposure to a core strategy on a volatility-controlled basis with a target at 3.5% and a maximum exposure to the core strategy at 200%. The core strategy
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		itself intends to capture, on a commodity-by-commodity basis, the usual positive carry cost differential between an enhanced exposure on the forward curve (long leg) and a near-futures exposure on the forward curve (short leg), this using the weights of the Bloomberg Commodity index.
2	Description of the process of selecting components weighting factors	Annual rebalancing of both legs to the annual Bloomberg Commodity Weights.
3	Methods and formulae of calculation	The Index Methodology governing the Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily
7	Type of index	The index below is part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Commodity Dynamic Market Neutral 3.5% Target Volatility ER Index	USD	ER	Bloomberg Commodity index	BNP Paribas Arbitrage SNC	BNPIDMN3 Index	CI_DMN3ER
BNP Paribas Commodity Dynamic Market Neutral ex-NG 3.5% Target Volatility ER Index	USD	ER	Bloomberg Commodity Index excluding Natural Gas	BNP Paribas	BNPIDXN3 Index	CI_DXN3ER

#### 16.11 BNP Paribas Commodity Time-Series Momentum Ex-Agriculture & Livestock Index

1	Index strategy, investment policy, objective of the Index	The objective of the index is to provide exposure to an absolute return strategy that intends to hold long positions in index components that have experienced an increase in price over the recent period and short positions in index components that have experienced a decrease in price over the recent period, this with a
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		risk target at 5% ("risk" being defined as the realised volatility).
2	Description of the process of selecting components weighting factors	Selection based on a proprietary momentum indicator that will detect price trends.
3	Methods and formulae of calculation	The Index Methodology governing the Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily.
7	Type of index	The index below is part of the Commodity Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Reference Index	Index Calculation Agent	Bloomberg Code	Cinergy Code
BNP Paribas Commodity Time-Series Momentum Ex-Agriculture & Livestock Index	USD	ER	Bloomberg Commodity ex-Agriculture & Livestock Capped index	BNP Paribas Arbitrage SNC	BNPITMXA Index	CI_TMXAER

#### 17. Credit Indices

1	Index strategy, investment policy, objective of the Index	The objective of the Credit Indices is to provide exposure to one or several credit markets, whose credit rating can be either Investment Grade or High Yield, in different regions (Europe or the U.S.). The investment can be made through Credit default swaps or bonds.
2	Description of the process of selecting components weighting factors	The weighting methodology is different for each Credit Index. The weighting may have the objective of tracking a benchmark for Credit Beta Indices, or it may depend on a signal for Credit Alpha Indices.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope

		of the Prospectus Directive.
4	Index Calculation Agent	Unless otherwise specified below, each Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily.
7	Type of index	All indices listed in the table below are part of the Credit Indices family of BNP Paribas indices
8	Index Currency	As described in the below table.

Index Name	Currency	Long or Long/Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Investment Grade Europe 5Y Credit Index	EUR	long	ER	Investment Grade European Credit Market	NA	NA	NA	BNPXCEB5	BNP Paribas Arbitrage	CI_BNPXCEB5
BNP Paribas High Yield Europe 5Y Credit Index	EUR	long	ER	High Yield European Credit Market	NA	NA	NA	BNPXCEX5	BNP Paribas Arbitrage	CI_BNPXCEX5
BNP Paribas Senior Financial Europe 5Y Credit Index	EUR	long	ER	European Senior Financial Credit Market	NA	NA	NA	BNPXCES5	BNP Paribas Arbitrage	CI_BNPXCES5
BNP Paribas Investment Grade US 5Y Credit Index	USD	long	ER	Investment Grade US Credit Market	NA	NA	NA	BNPXCIG5		CI_BNPXCIG5
BNP Paribas High Yield US 5Y Credit Index	USD	long	ER	High Yield US Credit Market	NA	NA	NA	BNPXCHY5	BNP Paribas Arbitrage	CI_BNPXCHY5
BNP Paribas Credit Time Series Momentum Europe ER Index	EUR	Long/short	ER	High Yield and Investment Grade European Credit Markets	-500% on BNPXC EB5-100% on BNPXC EX5	+500% on BNPXCE B5+100% on BNPXCE X5	5%	BNPXCROME	BNP Paribas Arbitrage	CI_BNPXCROME
BNP Paribas Credit Time Series Momentum US ER Index	USD	Long/short	ER	High Yield and Investment Grade US Credit Markets	-500% on BNPXC EB5-100% on BNPXC EX5	+500% on BNPXCE B5+100% on BNPXCE X5	5%	BNPXCRCMU	BNP Paribas Arbitrage	CI_BNPXCRCMU
BNP Paribas Credit Compression Europe ER Index	EUR	Long/short	ER	High Yield and Investment Grade European Credit	-400% on BNPXC EB5-100% on BNPXC	+400% on BNPXCE B5+100% on BNPXCE	NA	BNPXCRCCE	BNP Paribas Arbitrage	CI_BNPXCRCCE

Index Name	Currency	Long or Long/Short	Cash Kind	Universe	Min Exposure	Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
				Markets	EX5	X5				
BNP Paribas Credit Compression US ER Index	USD	Long/short	ER	High Yield and Investment Grade US Credit Markets	-400% on BNPXC EB5-100% on BNPXC EX5	+400% on BNPXCE B5+100% on BNPXCE X5	NA	BNPXCR CU	BNP Paribas Arbitrage	CI_BNPX CR CU
BNP Paribas Credit Compression MN Europe ER Index	EUR	Long/short	ER	High Yield and Investment Grade European Credit Markets	-500% on BNPXC EB5-100% on BNPXC EX5	+500% on BNPXCE B5+100% on BNPXCE X5	NA	BNPXCE MN	BNP Paribas Arbitrage	CI_BNPX CEMN
BNP Paribas Credit Compression MN US ER Index	USD	Long/short	ER	High Yield and Investment Grade US Credit Markets	-500% on BNPXC EB5-100% on BNPXC EX5	+500% on BNPXCE B5+100% on BNPXCE X5	NA	BNPXCU MN	BNP Paribas Arbitrage	CI_BNPX CUMN
BNP Paribas High Yield Defensive Europe ER Index	EUR	Long/short	ER	High Yield European Credit Market	NA	NA	9% (volcap)	BNPIHYP E	BNP Paribas Arbitrage	CI_HYPE ER
BNP Paribas High Yield Europe Defensive Index	EUR	Long/short	TR	High Yield European Credit Market	NA	NA	9% (volcap)	BNPIHYP T	BNP Paribas Arbitrage	CI_HYPT TR
BNP Paribas Credit Financial Hedge Europe ER Index	EUR	Long/short	ER	Investment Grade European Credit Markets	-500% on BNPXC EB5 / -500% on BNPXC ES5	+500% on BNPXCE B5 / +500% on BNPXCE S5	NA	BNPXC FHE Index	BNP Paribas Arbitrage	CI_BNPX CFHE

## 18. Interest Rate Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure to an absolute return strategy by taking long or short positions in selected fixed income instruments (the " <b>Universe</b> ") according to a systematic investment style (the " <b>Style</b> ").
2	Description of the process of selecting components weighting factors	Selection of components is based on rules designed to be consistent with the Style, as set forth in the Index Methodology. Exposure to each component may be long, short or neutral at any time. Furthermore, the weighting applied to each index may be subject to certain constraints such as a Volatility Target, a Maximum Absolute Exposure per Underlying to any underlying asset or an Overall Maximum Exposure.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.

4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily.
7	Type of index	All indices listed in the table below are part of the Interest Rate Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Universe	Style	Max Abs Exposure per Underlying	Overall Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas Kinetis Money Markets Atlantic Excess Return USD Index	USD	Cashless	EUR & USD Money Market Futures	Time series trend	15x DV01 per currency	NA	4%	BPMMMT WU Index	BNP Paribas Arbitrage SNC	CI_BPM MMTWU
BNP Paribas Global Government Bond Carry Index USD ER	USD	Cashless	EUR, USD, GBP, JPY, CAD 10yr Bond Futures	X-Sectional Carry	+/-50% per underlying	NA	NA	BNPIGGC U Index	BNP Paribas Arbitrage SNC	CI_GGC UER
Kinetis Bond Futures Excess Return USD Index	USD	Cashless	EUR, USD, GBP, JPY, CAD, FR, IT, AUD 10yr Bond Futures	Time series trend	+/-100% per underlying	NA	4%	BNPIBTN D Index	BNP Paribas Arbitrage SNC	CI_BNPI BTND
BNP Paribas Global Government Bond Futures Market Neutral Carry USD Index	USD	Cashless	EUR, USD, GBP, JPY, CAD 10yr Bond Futures	X-Sectional Carry	+/-100% per underlying	NA	4.50%	BNPIGNC U Index	BNP Paribas Arbitrage SNC	CI_BNPI GNCU
BNP Paribas Global Government Bond Futures Market Neutral Relative Value USD Index	USD	Cashless	EUR, USD, GBP, JPY, CAD 10yr Bond Futures	X-Sectional relative Value	+/-100% per underlying	NA	4.50%	BNPIGNV U Index	BNP Paribas Arbitrage SNC	CI_BNPI GNVU
BNP Paribas Global Government Bond Futures Market Neutral Momentum USD Index	USD	Cashless	EUR, USD, GBP, JPY, CAD 10yr Bond Futures	X-Sectional Momentum	+/-100% per underlying	NA	4.50%	BNPIGNM U Index	BNP Paribas Arbitrage SNC	CI_BNPI GNMU
BNP Paribas Fixed Income Diversifier USD Index	USD	Cashless	EUR, USD, GBP, JPY, CAD 10yr	X-Sectional	+/-50% per underlying	NA	6%	BNPIFIND Index	BNP Paribas Arbitrage SNC	CI_BNPI FIND



Index Name	Currency	Cash Kind	Universe	Style	Max Abs Exposure per Underlying	Overall Max Exposure	Volatility Target	Bloomberg Code	Calculation Agent	Cinergy Code
			Bond Futures and EUR & USD Money Market Futures							

19. Foreign Exchange Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure to an absolute return strategy by taking long or short positions in selected foreign exchange instruments (the " <b>Universe</b> ") according to a systematic investment style (the " <b>Style</b> ").								
2	Description of the process of selecting components weighting factors	Selection of components is based on rules designed to be consistent with the Style and the Universe, as set forth in the Index Methodology. Exposure to each component may be long, short or neutral at any time. Furthermore, the weighting applied to each index may be subject to certain constraints such as a Volatility Target, a Maximum Absolute Exposure per Underlying to any underlying asset or an Overall Maximum Exposure.								
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.								
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the " <b>Index Calculation Agent</b> ") and sponsored by BNP Paribas (the " <b>Index Sponsor</b> ").								
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.								
6	Frequency review	Daily or Monthly, in accordance with the Rebalancing Frequency specified in the table below.								
7	Type of index	All indices listed in the table below are part of the Foreign Exchange Indices family of BNP Paribas indices.								
8	Index Currency	As described in the below table.								

Index Name	Currency	Cash Kind	Universe	Style	Rebalancing Frequency	Max Abs Exposure per Underlying	Max Abs Exposure	Bloomberg Code	Calculation Agent	Cinergy Code	Volatility Target
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Index Name	Currency	Cash Kind	Universe	Style	Rebalancing Frequency	Max Abs Exposure per Underlying	Max Abs Exposure	Bloomberg Code	Calculation Agent	Cinergy Code	Volatility Target
BNP Paribas 1M STEER Index	USD	Cashless	G10 FX 1m Spot Indices	Short-term relative value	Daily	55.56%	400%	BPFXTSTGU Index	BNP Paribas Arbitrage SNC	CI_BPFXTSTGU	NA
BNP Paribas GALAXY Diversified Excess Return USD Index	USD	Cashless	G10 + EM FX 1m Spot Indices	FX Carry	Monthly	20.00%	100%	BPFXTGDU Index	BNP Paribas Arbitrage SNC	CI_BPFXTGDU	6% (volcap)
BNP Paribas GALAXY G10 Excess Return USD Index	USD	Cashless	G10 FX 1m Spot Indices	FX Carry	Monthly	33.33%	100%	BPFXTGGU Index	BNP Paribas Arbitrage SNC	CI_BPFXTGGU	8% (volcap)
BNP Paribas GALAXY Regional Excess Return USD Index	USD	Cashless	G10 + Asia + CEEMEA + Latam FX 1m Spot Indices	FX Carry	Monthly	20%	100%	BPFXTGRU Index	BNP Paribas Arbitrage SNC	CI_BPFXTGRU	6% (volcap)
BNP Paribas GALAXY World Excess Return USD Index	USD	Cashless	Global FX 1m Spot Indices	FX Carry	Monthly	20%	100%	BPFXTGWUR Index	BNP Paribas Arbitrage SNC	CI_BPFXTGWUR	10% (volcap)
BNP Paribas GALAXY Regional No VolCap USD Index	USD	Cashless	G10 + Asia + CEEMEA + Latam FX 1m Spot Indices	FX Carry	Monthly	20%	220%	BPFXTGRU Index	BNP Paribas Arbitrage SNC	CI_BPFXTGRU	NA
BNP PARIBAS FX G10 Time Series Momentum ER Index	USD	Cashless	G10 FX 1m Spot Indices	Time Series Trend	Daily	100%	100%	BNPITFMG Index	BNP Paribas Arbitrage SNC	CI_BNPITFMG	5%
BNP Paribas FX G10 Risk Premia ER Index USD	USD	Cashless	G10 FX Risk Premia Strats	Multi-Style	Semi-Annually	33.33%	100%	BPFXTRPGU Index	BNP Paribas Arbitrage SNC	CI_BPFXTRPGU	NA
BNP Paribas 1M STEER Index	USD	Cashless	G10 FX 1m Spot Indices	Short-term relative value	Daily	45%	400%	BPFXTSTG2 Index	BNP Paribas Arbitrage SNC	CI_BPFXTSTG2	NA
BNP Paribas MGI Systematic Currency Alpha Index	USD	Cashless	EUR/USD, AUD/USD, GBP/USD, JPY/USD	Dynamic Style	Daily	25%	100%	BNPIMSCA Index	BNP Paribas Arbitrage SNC	CI_MSCA	NA
BNP Paribas Kinetis FX G10 Time Series Trend Series II Excess Return USD Index	USD	Cashless	G10 FX 1m Spot Indices	Time Series Trend	Daily	100%	100%	BPFXTKNG2 Index	BNP Paribas Arbitrage SNC	CI_BPFXTKNG2	5%

## 20. FX Rolling Spot Indices

1	Index strategy, investment policy, objective of the Index	The objective of each Index is to provide a positive exposure to an equally weighted basket of several staggered forward
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		("Deliverable") or non-deliverable forward ("NDF") contracts on an FX underlying (the "Underlying Pair") designed such that every day a quasi-constant portion of the basket is rolled forward a fixed time delay, with the goal of maintaining a stable average time to maturity of the foreign exchange contracts in the basket.
2	Description of the process of selecting components weighting factors	Weights of the components are fixed.
3	Methods and formulae of calculation	The Index Methodology governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
4	Index Calculation Agent	Unless specifically described in the descriptions below, the Index is calculated, maintained, and published by BNP Paribas Arbitrage (the "Index Calculation Agent") and sponsored by BNP Paribas (the "Index Sponsor").
5	Adjustment rules	The Rules governing each Index shall be available on <a href="https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf">https://indx.bnpparibas.com/nr/@CodeCInergy@.pdf</a> as soon as such Index is the underlying of a product which is under the scope of the Prospectus Directive.
6	Frequency review	Daily.
7	Type of index	All indices listed in the table below are part of the FX Rolling Spot Indices family of BNP Paribas indices.
8	Index Currency	As described in the below table.

Index Name	Currency	Cash Kind	Underlying Pair	Forward Type	Bloomberg Code	Calculation Agent	Cinergy Code
BNP Paribas AUD/USD FX Rolling Spot Index	USD	Cashless	AUD/USD	Deliverable	BPFXAUD Index	BNP Paribas Arbitrage SNC	CI_BPFXAUD
BNP Paribas CAD/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXCAD Index	BNP Paribas Arbitrage SNC	CI_BPFXCAD
BNP Paribas CHF/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXCHF Index	BNP Paribas Arbitrage SNC	CI_BPFXCHF
BNP Paribas EUR/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXEUR Index	BNP Paribas Arbitrage SNC	CI_BPFXEUR
BNP Paribas GBP/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFXGBP Index	BNP Paribas Arbitrage SNC	CI_BPFXGBP
BNP Paribas JPY/USD FX Rolling Spot	USD	Cashless	Deliver	Deliverable	BPFXJPY Index	BNP Paribas Arbitrage SNC	CI_BPFXJPY

Index							
BNP Paribas NOK/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFYNOK Index	BNP Paribas Arbitrage SNC	CI_BPFYNOK
BNP Paribas NZD/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFYNZD Index	BNP Paribas Arbitrage SNC	CI_BPFYNZD
BNP Paribas SEK/USD FX Rolling Spot Index	USD	Cashless	Deliver	Deliverable	BPFYSEK Index	BNP Paribas Arbitrage SNC	CI_BPFYSEK

## FORM OF THE GUARANTEE

**THIS GUARANTEE** is made by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNPP have established a Warrant and Certificate Programme (the "**Programme**") under which, *inter alia*, BNPP B.V. may from time to time issue, *inter alia*, unsecured warrants and certificates governed by French law (the "**Securities**") of any kind including, but not limited to, warrants and certificates relating to a specified index or a basket of indices, a specified share (or Stapled Shares (as defined in Share Condition 1)), GDR or ADR or a basket of shares (or Stapled Shares), GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified currency or basket of currencies, Open End Certificates or Open End Turbo Certificates. In respect of Securities, BNPP B.V. will not grant any security interest in favour of the relevant Holders. BNPP intends to guarantee the obligations of BNPP B.V. under the Securities.

The Securities may be issued pursuant to (a) an Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated 3 July 2019 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas Securities Services as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

In respect of all Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 4 July 2018 granted by BNPP in respect of Securities issued under the Programme.

Any reference in this Guarantee to any obligation or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to (if applicable) in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the Guarantee itself is not subject to such bail-in).

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Holder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Security on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance PROVIDED THAT (A) in the case of Physical Delivery Securities where BNPP B.V. has the obligation, pursuant to the terms and conditions of the relevant Security, to deliver the Entitlement, notwithstanding that BNPP B.V. had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, BNPP will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Securities of an amount equal to the Guaranteed Cash Settlement Amount (as defined in the Conditions) and (B) in the case of

Securities where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as practicable following BNPP B.V.'s failure to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (i) a Settlement Disruption Event (as defined in Condition 5.1) or (ii) a Failure to Deliver due to Illiquidity (as defined in Condition 15.1) (if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (i) above, the Guaranteed Cash Settlement Amount or, in the case of (ii) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security.

## **2. Joint liability of BNPP and BNPP B.V.**

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Holders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Securities, (4) its duties under this Guarantee will not be conditional on or subject to the validity or execution of any other security granted by BNPP B.V. or any other person to the Holders, or to the existence or creation of any security for the benefit of the Holders, and (5) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

## **3. BNPP's continuing liability**

BNPP's obligations under this Guarantee are and will remain valid and in full effect so long as any amounts remain outstanding, or any obligation remains unperformed, under the Securities.

## **4. Status**

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

## **5. Exercise of BNPP's rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be

indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

**6. BNPP B.V. repayment**

If a payment received by, or other obligation discharged to or to the order of, any Holder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment or obligation will not reduce BNPP's obligations and this Guarantee will continue to apply as if such payment or obligation had always been due from BNPP B.V.

**7. Conditions binding**

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

**8. Duration of the Guarantee**

This Guarantee is granted by the Guarantor in respect of all Securities issued during a period of thirteen (13) months from the date of its signature.

**9. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 3 Rue Taitbout, 75009 Paris, France. A demand so made shall be deemed to have been duly made two (2) Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two (2) Paris Business Days after the Paris Business Day immediately following such day.

**10. Governing law and jurisdiction**

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings ("**Proceedings**") relating to this Guarantee.

Executed in Paris in one (1) original, on [●] 2019.

**BNP PARIBAS**

By:

## DESCRIPTION OF BNPP B.V

### 1. Name, registered office and date of incorporation

- (a) The legal and commercial name of the Issuer is BNP Paribas Issuance B.V..
- (b) BNPP B.V. is a limited liability company under Dutch law ("*besloten vennootschap met beperkte aansprakelijkheid*"), having its registered office at Herengracht 595, 1017 CE Amsterdam, The Netherlands. BNPP B.V. is incorporated in The Netherlands and registered with the Commercial Register in The Netherlands under number 33215278 (telephone number: + 31 20 5215 645).
- (c) BNPP B.V. was incorporated on 10 November 1989 with unlimited duration.

### 2. Business Overview

- (a) BNPP B.V.'s objects (as set out in Article 3 of its Articles of Association) are:
  - (i) to borrow, lend out and collect monies, including but not limited to the issue or the acquisition of debentures, debt instruments, financial instruments such as, among others, notes, warrants and certificates of any nature, with or without indexation based on, *inter alia*, shares, baskets of shares, stock exchange indices, currencies, commodities or futures on commodities, and to enter into related agreements;
  - (ii) to finance enterprises and companies;
  - (iii) to establish and to in any way participate in, manage and supervise enterprises and companies;
  - (iv) to offer advice and to render services to enterprises and companies with which the company forms a group of companies, and to third parties;
  - (v) to grant security, to bind the company and to encumber assets of the company for the benefit of enterprises and companies with which the company forms a group of companies, and of third parties;
  - (vi) to acquire, manage, exploit and dispose of registered property and asset value in general;
  - (vii) to trade in currencies, securities and asset value in general;
  - (viii) to exploit and trade in patents, trademark rights, licences, know-how and other industrial rights of ownership;
  - (ix) to engage in industrial, financial and commercial activities of any nature, and

all other things as may be deemed incidental or conducive to the attainment of the above objects, in the broadest sense of the word.

- (b) BNPP B.V. competes with other issuers in the issuance of financial instruments and securities.
- (c) BNPP B.V. is a BNP Paribas Group issuance vehicle, specifically involved in the issuance of structured securities, which are developed, setup and sold to investors by other companies in the group. The securities are backed by a matching derivative contract with BNP Paribas



Arbitrage S.N.C. or BNP Paribas SA ensuring a perfect match of BNPP B.V. assets and liabilities. Given the function of BNPP B.V. within the BNP Paribas Group and its asset and liabilities structure, the company generates a limited profit.

- (d) The securities issued by BNPP B.V. are sold to institutional clients, retail and high net worth individuals in Europe, Africa, Asia and Americas, either directly by BNP Paribas or through third party distributors.

### **3. Trend Information**

Due to BNPP B.V.'s dependence, upon BNPP its trend information is the same as that for BNPP set out on pages 138 to 286 of the BNPP 2018 Registration Document (in English).

### **4. Share capital**

The issued share capital is €45,379, divided in 45,379 shares of €1 each.

All shares are ordinary registered shares and fully paid up and no share certificates have been issued. 100 per cent. of the share capital is held by BNP Paribas.

### **5. Management**

#### **5.1 Management Board**

The management of BNPP B.V. is composed of a Management Board with one or several members appointed by the general meeting of shareholders.

On 31 January 2016, BNP Paribas appointed as sole member of the Management Board BNP Paribas Finance B.V., a company established and existing under the laws of The Netherlands, with its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands. Edwin Herskovic, Erik Stroet, Folkert van Asma and Geert Lippens as Directors of BNP Paribas Finance B.V. have the power to take all necessary measures in relation to the issue of securities of BNPP B.V..

#### **5.2 Duties of the Management Board**

Within the limits of the constitutional documents, the Management Board is responsible for the management of BNPP B.V.

### **6. Accounts**

#### **6.1 Drawing up of annual accounts**

The financial year is the calendar year.

#### **6.2 Adoption of annual accounts**

The general meeting of shareholders adopts the annual accounts.

### **7. Material Investments**

BNPP B.V. has made no material investments since the date of its last published financial statements other than those related to the issue of securities and its Management Board has made no firm commitments on such material investments in the future.

## **8. Organisational Structure**

BNPP B.V. is a wholly owned subsidiary of BNP Paribas.

BNPP B.V. is dependent upon BNP Paribas in that BNP Paribas develops and markets the Securities, hedges its market, credit and liquidity risks and guarantees the obligations of BNPP B.V. for any issuance of its securities towards investors.

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

### **9.1 Names, Business Addresses, Functions and Principal Outside Activities**

The names, functions and principal activities performed by it outside BNPP B.V. which are significant with respect to the only director of BNPP B.V. are:

<b>Name</b>	<b>Function</b>	<b>Principal Outside Activities</b>
BNP Paribas Finance B.V.	Managing Director	The facilitation of secondary debt transactions and trading on behalf of the BNP Paribas Group

### **9.2 Administrative, Management, and Supervisory Bodies Conflicts of Interests**

The above-mentioned member of the Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of the Securities, between any duties to BNPP B.V. and its interests or other duties.

## **10. Board Practices**

### **10.1 Audit Committee**

BNPP B.V. does not itself have an audit committee. However, BNPP B.V. is part of the BNP Paribas Group which divides the audit responsibility to review the annual consolidated financial statements of BNP Paribas between a Financial Statement Committee and an Internal Control and Risks Committee.

### **10.2 Corporate Governance**

The Dutch Corporate Governance Code of 8 December 2016 only applies to listed companies. The shares of BNPP B.V. are not listed and therefore the code does not apply. Accordingly, BNPP B.V. is not required to make any disclosure regarding compliance with the code.

**11. Historical Financial Information Concerning BNPP B.V.'s Assets and Liabilities, Financial Position and Profits and Losses**

*Selected audited financial information*

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

	<b>31.12.2018</b>	<b>31.12.2017</b>
	<b>(audited)</b>	<b>(audited)</b>
	EUR	EUR
<b>Financial fixed assets</b>	43,012,673,630	38,797,846,122
<b>Current assets</b>	13,219,971,309	12,041,300,778
<b>TOTAL ASSETS</b>	<b>56,232,644,939</b>	<b>50,839,146,900</b>
 <b>Shareholder's equity</b>	 542,654	 515,239
<b>Long term liabilities</b>	43,012,673,629	38,797,846,122
<b>Current liabilities</b>	13,219,428,656	12,040,785,539
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>56,232,644,939</b>	<b>50,839,146,900</b>

**PROFIT AND LOSS ACCOUNT in summary**

	<b>2018</b>	<b>2017</b>
	<b>(audited)</b>	<b>(audited)</b>
	EUR	EUR
Income including interest received	439,645	431,472
Costs, including interest paid and the tax charge	412,230	404,532
<b>Profit after taxation</b>	<b>27,415</b>	<b>26,940</b>

**CASH FLOW STATEMENT in summary**

	<b>2018</b>	<b>2017</b>
	<b>(audited)</b>	<b>(audited)</b>
	EUR	EUR
Cash flow from operating activities	(153,286)	(133,429)
Cash flow from financing activities	0	0
Increase/Decrease cash at banks	<b>(153,286)</b>	(133,429)
Cash at bank at 31 December	<b>65,347</b>	218,633

## **DESCRIPTION OF BNPP**

A description of BNPP can be found on pages 4 to 15 of the BNPP 2018 Registration Document (in English), which is incorporated by reference herein.

## **BOOK-ENTRY CLEARANCE SYSTEMS**

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Clearstream Banking Luxembourg, Euroclear, Euroclear France or Euroclear Netherlands or Iberclear (together, the "**Clearing Systems**") currently in effect and subject as provided in the applicable Final Terms. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of BNPP B.V., BNPP, or any agent party to the Agency Agreement (as amended or supplemented from time to time) will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

## BOOK-ENTRY SYSTEMS

### *Clearstream Banking Luxembourg, Clearstream Banking Frankfurt and Euroclear*

Clearstream Banking Luxembourg, Clearstream Banking Frankfurt and Euroclear each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Clearstream Banking Luxembourg, Clearstream Banking Frankfurt and Euroclear provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream Banking Luxembourg and Euroclear also deal with domestic securities markets in several countries through established depositary and custodial relationships. Clearstream Banking Luxembourg and Euroclear have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream Banking Luxembourg, Clearstream Banking Frankfurt and Euroclear customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream Banking Luxembourg, Clearstream Banking Frankfurt and Euroclear is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

### *Euroclear France*

Euroclear France holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its respective account holders. Euroclear France customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

### *Euroclear Netherlands*

Euroclear Netherlands holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its respective account holders. Euroclear Netherlands customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

### *Iberclear*

"Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" – whose commercial name is Iberclear – is the Spanish Central Securities Depository. Iberclear is set up as a company as stated in articles 97 to 102 of Royal Legislative Decree 4/2015, of 23 October (the **Securities Market Law**). These articles assign Iberclear the right of all functions as indicated in the legal regulations containing its legal regime, in accordance with the following: (a) to maintain the Securities Registry by means of book-entry form of all eligible securities listed on the Spanish Stock Exchanges and the Public Debt Market as well as the securities listed on other secondary markets when requested by the appropriate governing bodies; (b) to manage the settlement, and when appropriate, the clearing of securities and money resulting from those trades settled on the Stock Exchanges, Public Debt Market and, when appropriate, the secondary markets; (c) to provide technical and operational services directly related to the Registering, Clearing and Settlement of securities which allows Iberclear to collaborate in, or co-ordinate with, other services related to Registering, Clearing and Settlement of securities as well as allowing it to participate in them; and (d) anything else that the Government entrusts to Iberclear provided permission has been first sought from the market supervisory bodies, be it the CNMV (*Comisión Nacional del Mercado de Valores*) or the Banco de España.

### *Euroclear Sweden*

Euroclear Sweden AB ("**Euroclear Sweden**") is a Swedish private limited liability company which manages account operations and clearing activities for the Swedish financial market. Euroclear Sweden is an authorised central securities depository pursuant to the Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 and is acting under the supervision of the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*). Euroclear Sweden is owned by Euroclear S.A.

For each Security issued through Euroclear Sweden, a so called CSD register (*Sw. avstämningsregister*) (a "**CSD Register**") is created. The CSD Register will consist of a number of accounts, one for each holder of the Security in question. Such account is opened in respect of the holder in person or by a nominee (*Sw. förvaltare*) on behalf of the holder. Title to a registered Security is transferred through registration in the system operated by Euroclear Sweden (the "**VPC System**").

In conjunction with an issue of securities to be registered in the VPC System, the relevant Issuer must engage a financial institution authorised by Euroclear Sweden to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Sweden.

## **TAXATION**

The statements herein regarding taxation are based on the laws in force in Belgium, Denmark, Finland, France, Luxembourg, the Netherlands, Norway, Spain, Sweden and the United-States, as applicable, as of the date of this Base Prospectus and are subject to any changes in law and/or interpretation hereof (potentially with a retroactive effect). The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe, purchase, own or dispose of the Securities. Each prospective holder or beneficial owner of Securities should consult its tax adviser as to each of the Belgian, Danish, Finnish, French, Luxembourg, Dutch, Norwegian, Spanish, Swedish and the U.S. tax consequences, as applicable, of any investment in or ownership and disposition of the Securities.



## BELGIAN TAXATION

### Taxation in Belgium

The following summary describes the principal Belgian withholding tax considerations with respect to the holding of the Certificates and/or Warrants obtained by an investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Certificates and/or the Warrants. In some cases, different rules may be applicable. Furthermore, the tax rules can be amended in the future, possibly with retroactive effect, and the interpretation of the tax rules may change.

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

This summary does not describe the tax consequences for a holder of Certificates and/or Warrants that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Certificates and/or Warrants and/or any tax consequences after the moment of exercise, settlement or redemption. In addition, it does not cover Warrants issued in accordance with the rules set out in the Act of 26 March 1999 on the Belgian Action Plan for Employment 1998 and other miscellaneous measures.

Each prospective holder of Certificates and/or Warrants should consult a professional adviser with respect to the tax consequences of an investment in the Certificates and/or Warrants, taking into account the influence of each regional, local or national law.

For Belgian tax purposes, if interest is in a foreign currency, it is converted into euro on the date of payment or attribution.

#### 1. Income tax

On 25 January 2013, the Belgian tax authorities issued a circular letter on the Belgian tax treatment of income from structured securities characterised by an uncertain return on investment due to the variation of the coupons or the repayment terms at maturity, such as securities whose return is linked to the evolution of underlying products. According to the circular letter, the transfer of structured securities to a third party (other than the Issuer) results in taxation as interest income of the "pro rata interest", calculated on an unclear formulae. In addition, any amount paid in excess of the initial issue price upon redemption or repayment of the structured securities is considered as interest for Belgian tax purposes. It is highly debatable whether the circular letter is in line with Belgian tax legislation. Furthermore, it is unclear whether the Belgian tax authorities will seek to apply the principles set out in the circular letter to the structured Certificates and/or Warrants (the "**Structured Securities**").

It is assumed that any gains realised upon redemption or repayment by the Issuer will indeed be viewed as interest by the Belgian tax authorities (and any such gains are therefore referred to as "interest" for the purposes of the following paragraphs), but that the effective taxation of the "pro rata interest" in case of sale to a third party (i.e. other than the Issuer) would not be possible, on the basis that it is currently impossible to determine the amount of the "pro rata interest" (except for fixed rate Securities).

##### 1.1 Repayment or redemption by the Issuer

###### (i) Belgian resident individual investors

Individuals who are holders of Structured Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*"), are subject to the following tax treatment with respect to the Structured Securities in Belgium. Other rules may be applicable in special situations, in particular when individuals resident in Belgium acquire the Structured Securities for professional purposes or when their transactions with respect to the Structured Securities fall outside the scope of the normal management of their own private estate.

Payments of interest on the Structured Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Structured Securities in their personal income tax return, provided Belgian withholding tax was levied on these interest payments

Nevertheless, Belgian resident individuals may elect to declare interest on the Structured Securities in their personal income tax return. Also, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, whichever is more beneficial) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability.

(ii) Belgian resident corporate investors

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

Interest received by Belgian corporate investors on the Structured Securities will be subject to Belgian corporate income tax at the ordinary corporate income tax rate of 29.58 per cent. (with a reduced rate of 20.40 per cent. applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25 per cent. (and 20 per cent.) as from 1 January 2020 onwards. If the income has been subject to a foreign withholding tax, a tax credit will be applied on the Belgian tax due. For interest income, the foreign tax credit is generally equal to a fraction where the numerator is equal to the foreign tax and the denominator is equal to 100 minus the rate of the foreign tax, up to a maximum of 15/85 of the net amount received (subject to some further limitations). Capital losses are in principle tax deductible.

Interest payments on the Structured Securities made through a paying agent in Belgium are in principle subject to a 30 per cent. withholding tax, but can under certain circumstances be exempt from Belgian withholding tax, provided that certain formalities are complied with. For zero or capitalisation bonds, an exemption will only apply if the Belgian company and the Issuer are associated companies within the meaning of article 105, 6°, b) of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code of 1992. The withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*") are subject to the following tax treatment with respect to the Structured Securities in Belgium.

Payments of interest on the Structured Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the payment of the 30 per cent. withholding tax.

## 1.2 **Sale to a third party**

No Belgian withholding tax should apply to the Structured Securities (except in respect of that part of the sales price that can be attributed to the pro rata interest component in case of fixed rate Securities).

### (i) Belgian resident individual investors

Individuals who are holders of Structured Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax ("*Personenbelasting/Impôt des personnes physiques*"), are currently not liable to Belgian income tax on the capital gains (if any) realised upon disposal of the Structured Securities to a third party, provided that the Structured Securities have not been used for their professional activity and that the capital gain is realised within the framework of the normal management of their private estate. Capital losses realised upon disposal of the Structured Securities held as a non-professional investment are in principle not tax deductible.

However, Belgian resident individuals may be subject to a 33 per cent. Belgian income tax (plus local surcharges) if the capital gains on the Structured Securities are deemed to be speculative or outside the scope of the normal management of the individuals' private estate. Capital losses arising from such transactions are not tax deductible.

Capital gains realised upon transfer of Structured Securities held for professional purposes are taxable at the ordinary progressive income tax rates (plus local surcharges), except for Structured Securities held for more than five years, which are taxable at a separate rate of 16.5 per cent. (plus local surcharges). Capital losses on the Structured Securities incurred by Belgian resident individuals holding the Structured Securities for professional purposes are in principle tax deductible.

### (ii) Belgian resident corporate investors

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax ("*Vennootschapsbelasting/Impôt des sociétés*"), are liable to Belgian corporate income tax on the capital gains (if any) realised upon disposal of the Structured Securities to a third party, irrespective of whether such Structured Securities relate to shares or other assets or indices. The current standard corporate income tax rate in Belgium is 29.58 per cent. (with a reduced rate of 20.40 per cent. applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25 per cent. (and 20 per cent.) as from 1 January 2020 onwards.

Capital losses realised upon disposal of the Structured Securities are in principle tax deductible.

### (iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*Rechtspersonenbelasting/impôt des personnes morales*"), are currently not liable to Belgian income tax on capital gains (if any) realised upon disposal of the Structured Securities to a third party.

Capital losses realised upon disposal of the Structured Securities are in principle not tax deductible.

## **2. Tax on stock exchange transactions**

The sale and acquisition of the Certificates and Warrants is subject to a tax on stock exchange transaction ("*Taxe sur les opérations de bourse*" / "*Taks op de beursverrichtingen*") if (i) executed in Belgium through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax is generally due currently at a rate of 0.12 per cent. for Certificates and of 0.35 per cent. for Warrants on each sale and acquisition separately, with a maximum of EUR 1,300 per taxable transaction for Certificates and EUR 1,600 per taxable transaction for Warrants. A separate tax is due by each party to the transaction, and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative for tax purposes, which will be liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary.

Exemptions apply for certain categories of institutional investors and non-residents acting for their own account, subject to certain formalities. Transactions on the primary market are not subject to this tax.

As stated below, the European Commission has published a proposal for a Directive for a common financial transactions tax (the "**FTT**"). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

## **3. Annual tax on securities accounts**

Belgian resident and non-resident individuals are subject to a tax on securities accounts ("*Taks op de effectenrekeningen/Taxe sur les comptes-titres*") at a rate of 0.15 per cent. on their share in the average value of qualifying financial instruments (i.e. shares, share certificates, bonds, bond certificates, units or shares in investment funds or companies (except if acquired or subscribed to in the context of a life insurance or pension savings arrangement), medium-term notes ("*kasbons/bons de caisse*") and warrants) held on one or more securities accounts with one or more financial intermediaries during a reference period of 12 consecutive months starting on 1 October and ending on 30 September of the subsequent year ("**Tax on Securities Accounts**"). However, the tax is not due if the holder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder's share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts is due on the entire

share of the holder in the average value of the qualifying financial instruments on those accounts (and hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals on securities accounts with a financial intermediary established or located in Belgium fall within the scope of the Tax on Securities Accounts. Note that, pursuant to certain double tax treaties entered into by Belgium, Belgium has no right to tax the capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty override may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a listed company as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the legal status and supervision of credit institutions and listed companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are pursuant to national law admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts does not amount to EUR 500,000 or more but of which the holder's share in the total average value of these accounts exceeds EUR 500,000). If the Tax on Securities Accounts is not paid by the financial intermediary, such Tax on Securities Accounts has to be declared and is due by the holder itself, unless the holder provides evidence that the Tax has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities ("**Tax on the Securities Accounts Representative**"). Such Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return all their securities accounts held with one or more financial intermediaries of which they are considered the holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return all their securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered the holder within the meaning of the Tax on Securities Accounts.

Prospective holders of the Securities are strongly advised to seek their own professional advice in relation to the Tax on Securities Accounts.

## DANISH TAXATION

*The following is a summary description of the taxation in Denmark of Securities according to Danish tax laws in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to invest, hold or dispose of Securities, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. The following does not include any description of any taxation related to the FATCA regulation. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of Securities.*

Securities can either be taxed separately as a financial instrument liable to taxation in accordance with the Danish Capital and Exchange Gains Act (in Danish "*Kursgevinstloven*") Consolidation Act No. 1283 of 25 October 2016 (as amended) (the "**Danish Capital and Exchange Gains Act**") or as a gain or loss on the underlying asset.

In order not to be taxed separately, a number of conditions must be met, including in particular, that the parties to the warrant instrument remain the same and that the underlying asset will be delivered (as opposed to cash settlement). If taxation takes place as taxation of the underlying asset, the nature of the taxation will depend on the type of asset in question.

If the underlying asset is a debt claim, taxation of such Securities will take place in accordance with the Danish Capital and Exchange Gains Act. If the underlying financial asset is of a kind that will lead to taxation under the Danish Act on Capital Gains Tax on Shares (in Danish: "*Aktieavancebeskatningsloven*") Consolidation Act No. 1148 of 29 August 2016 (as amended), the holder of Securities will be deemed a shareholder for Danish tax purpose and be taxed in the following manner;

### *Resident personal holders of Securities*

Sale, redemption or other disposals of Securities covered by the Danish Act on Capital Gains Tax on Shares are considered a realisation for Danish tax purposes. A capital gain or loss obtained by a Danish resident personal shareholder through a disposal of Securities is taxable or tax deductible in Denmark, respectively. The same applies to non-resident shareholders with a permanent establishment in Denmark to which the shares are allocated.

Capital gains will be subject to taxation as share income at a rate of 27 per cent. on annual share income up to DKK 54,000 (2019 level) and 42 per cent. of share income exceeding DKK 54,000 (2019 level). The stated amount limits are applicable for 2019. Special rules apply for married couples co-habiting at the end of the income year. If one spouse has not had a share income exceeding the allowance, the other spouse can benefit from the unused amount. Generally, losses upon the realisation of shares can be deducted, however for listed securities losses can be applied against capital gains and dividends on shares.

### *Resident corporate holders of Securities*

Danish resident holders of shares, including non-resident shareholders with a permanent establishment in Denmark to which the shares are allocated are subject to tax on dividends. Companies holding at least 10 per cent of a Danish company (subsidiary shares) are as a general rule not liable to pay tax on dividends irrespective of the period of ownership. The corporate tax rate is 22 per cent. in 2019.

### *Non-Resident holders of Securities*

For non-tax residents, capital gains on shareholdings are generally tax free irrespective of ownership percentage and ownership period. Generally, corporate shareholders are also exempt from tax on dividends if holding 10 per cent. or more in a Danish company, however anti-avoidance exceptions apply both with respect to the tax exemption of capital gains and dividends. Dividends paid to corporate shareholders holding less than 10 per cent. or dividends paid to individuals are subject to Danish withholding tax at a rate of 27 per cent. and tax is always withheld at source. However, corporate shareholders holding less than 10 per cent. would generally be eligible to a reduced withholding tax of 15 per cent. The excess tax withheld may be reclaimed by filing an application with the Danish tax authorities.

## FINNISH TAXATION

*The following is a summary of certain tax consequences arising from Finnish tax legislation as in effect on the date of this Base Prospectus. Any subsequent changes in Finnish tax legislation or in the interpretation thereof may have an effect on the summary, also retroactively. The purpose of the summary is not to present completely all possible tax consequences arising from Finnish tax legislation. Especially, it should be noted that there is no special tax legislation and only limited case law regarding certificates and warrants in Finland. Therefore, the following summary is based on an interpretation of general provisions of tax law. The summary is not exhaustive and potential purchasers who have any doubt or concern regarding their tax and/or legal position on purchase, ownership, transfer, exercise or redemption of any Securities should consult their own independent, professionally qualified tax and/or legal advisers as to the tax consequences of the purchase, ownership, transfer, exercise, redemption and lapse of Securities.*

### General

Finnish residents and non-residents are treated differently for tax purposes in Finland. Finnish residents are subject to taxation in Finland on their worldwide income. Non-residents who are not generally liable for tax in Finland are subject to taxation in Finland solely in respect of their Finnish source income. Generally, an individual is deemed to be Finnish resident if such an individual continuously resides in Finland for more than six months or if the permanent home and dwelling of such an individual is in Finland. A citizen of Finland who has moved abroad is regarded as a resident of Finland for Finnish tax purposes until three years has passed after the end of the year of emigration, even though the individual does not reside in Finland over six months or the permanent home and dwelling are not located in Finland, if such an individual cannot prove that he/she has not had any essential relationship to Finland in the tax year in question. Entities established under the laws of Finland are regarded as residents of Finland in accordance with domestic tax law. Double tax treaties may restrict the authority of the Finnish state to tax foreign source income of an individual or entity deemed as resident of Finland pursuant to Finnish domestic tax law.

### Income Tax

#### *Resident individuals and estates*

Interest and any similar income (e.g. interest compensation (in Finnish "*jälkimarkkinahyvitys*") and index compensation (in Finnish "*indeksihyvitys*"), received as well as any gain arising from the transfer or exercise of the Securities is likely taxed as capital income, subject to capital income tax, of an individual and estate resident in Finland for tax purposes, unless the Security is considered to belong to the business activity of an individual or an estate.

Payments under the Securities considered to belong to the business activity of an individual or an estate for Finnish tax purposes are included in the total business income of such individual or estate. The business income will be divided according to the Finnish Income Tax Act to be taxed as capital income (see below) and earned income at a progressive tax rate.

If the Securities are regarded as warrants/certificates for Finnish tax purposes, any gain arising from the transfer, exercise or redemption of the Securities should, based on current Finnish court and taxation practice, generally be considered a capital gain (as opposed to interest or compensation comparable to interest), at least where the Security is listed.

Further, according to a decision of the Supreme Administrative Court (KHO:2013:117), unlisted warrants, subject to trading only in a system upheld by a financial institution, were considered marketable securities for tax purposes where the warrants were freely issued and transferable and qualified for listing as such. Losses



accrued were considered deductible in the taxation of the holder of the warrants. Although the case concerned warrants rather than certificates the interpretation should be similar in respect of certificates. Consequently, losses realised on the transfer, exercise or redemption of the Securities, especially where listed, should be treated as a capital loss in taxation.

Capital income is taxed at a rate of 30 per cent. (to the extent the annual capital income of a Finnish private person exceeds EUR 30,000 the tax rate is 34 per cent.) in accordance with the Finnish Income Tax Act. Taxable capital gains or losses are the difference between the sales price or the amount received in connection with the exercise and the aggregate of the acquisition cost of the securities and related expenses. Individuals and estates may elect to apply a so called presumptive acquisition cost instead of the actual acquisition cost. The presumptive acquisition cost is generally 20 per cent. of the sales price or the amount received in connection with the exercise, but is 40 per cent. of the sales price or the amount received in connection with the exercise for securities that have been held for at least ten years. If the presumptive acquisition cost is used instead of the actual acquisition cost, the related expenses are included in the presumptive acquisition cost, and therefore, may not be deducted in addition to the presumptive acquisition cost. However, capital gains are not regarded as taxable income if the total amount of the sales prices (or the amounts received in connection with the exercise) of assets sold does not exceed EUR 1,000 in a calendar year.

Capital losses arising from the sale of securities during or after 2016, which are not considered to belong to the business activity of an individual or an estate, are deductible from all capital income arising in the same year and the following five years. To the extent the capital loss has arisen prior to 2016, the capital loss is, however, only deductible from capital gains (in the same year and the following five years.) Capital losses are not tax-deductible if the acquisition costs of the assets sold do not exceed EUR 1,000 in a calendar year and if the total amount of the sales prices (or the amounts received in connection with the exercise) does not exceed EUR 1,000 in the same calendar year.

### ***Resident corporates***

Interest and any similar income (e.g. interest compensation, (in Finnish "*jälkimarkkinahyvitys*") and index compensation, (in Finnish "*indeksihyvitys*"), received as well as any gain arising from the transfer or exercise of the Securities is generally included in the income arising from business activities (business income source) or from passive assets (other income source) of a Finnish company or the permanent establishment of a foreign company. The taxable income of a company is determined separately for business and other income sources. Both income sources are taxed at a flat rate of 20 per cent. The principal difference between the two sources of income concerns the deductibility of capital losses. The acquisition cost of the sold securities belonging to business activities is deductible for the company from other business income. Tax loss carry forwards (including capital losses) of a company (or the business activity of an individual or estate) are deductible from taxable business income in 10 subsequent tax years following the tax year for which the tax loss carry forwards was confirmed. Capital losses arising from the sale of securities not belonging to the business activity of a company are, however, deductible only against capital gains arising in the same tax year and the following five tax years. The decision of the Supreme Administrative Court referred to above under "Resident individuals and estates" should also be applicable in terms of the taxation of resident corporates where losses accrue from the sale of Securities not belonging to the business activity of the company. Companies are not allowed to use the acquisition cost presumption described above.

### ***Non-residents***

Holders of Securities who are not Finnish residents are not generally subject to Finnish tax on payments received under the Securities or gains realised in the transfer, exercise or redemption of Securities in Finland, provided that the Securities in question do not relate to business carried out in Finland through a permanent establishment.

## **Withholding**

The Issuer is not under an obligation to perform any withholding or deduction for or on account of any income tax imposed, levied, withheld or assessed by Finland or any political subdivision or taxing authority thereof or therein in respect of any payments under the Securities. Further, such payments may be made free of any withholding when the recipient of the payment is not resident in Finland for tax purposes, or is a corporate resident in Finland for tax purposes.

An agent or intermediary resident in Finland shall withhold advance income tax at the rate of 30 per cent. from any interest, interest compensation (in Finnish "*jälkimarkkinahyvitys*") or index compensation, (in Finnish "*indeksihyvitys*") paid to an individual or estate residing in Finland where such payment is made through the agent or intermediary. However, to the extent the payments in respect of the Securities are classified as capital gain - which should be the case upon the transfer, redemption or exercise (i.e. the realisation of the net value through cash settlement) of Securities regarded as warrants/certificates (especially where listed), as discussed above - they are generally not subject to advance withholding of income tax.

## **Wealth Tax**

There is no wealth tax in Finland.

## **Transfer Tax**

No transfer tax should be due on the transfer of the Securities.

Where the Securities are physically settled, and where the underlying security is considered a security for the purposes of the Finnish Transfer Tax Act, such as a share issued by a Finnish company, transfer tax may be due on the transfer of the underlying (securities). However, in case the underlying securities would be considered as securities for Finnish transfer tax purposes, securities listed for public trading on (i) a regulated market in the EEA, (ii) a regulated and supervised market outside the EEA, provided that the relevant jurisdiction has acceded to the multilateral Convention on Mutual Administrative Assistance in Tax Matters or (iii) multilateral trading or corresponding trading facility, provided that the securities have been entered into a book-entry securities system and sold against a fixed cash consideration using a qualified securities broker or where the purchaser is accepted as a trading party in the relevant marketplace, are not subject to Finnish transfer tax in accordance with the Finnish Transfer Tax Act.

## **Gift and Inheritance Tax**

In accordance with domestic tax law, transfer of securities by way of gift or inheritance is subject to Finnish gift or inheritance tax, respectively, if either the transferor or the transferee was resident for tax purposes in Finland at the time of death or donation. Finland's right to impose gift or inheritance tax on transfer of movable property in the form of gift or inheritance received by residents and non-residents of Finland may, however, be limited by virtue of double tax treaties.

## FRENCH TAXATION

This overview is a summary of certain French tax consequences in relation to the holding of the Securities issued by BNPP. This overview is based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect. Investors should be aware that the overview below is of a general nature and does not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisers so as to determine, in the light of their individual situation, the tax consequences of the subscription, purchase, holding, redemption or disposal of the Securities.

### **Withholding tax on Securities issued by BNPP**

The treatment regarding withholding tax on payments in relation to Securities issued by BNPP will depend on the nature and characterisation of the relevant Securities.

#### *Securities constituting debt instruments for French tax purposes*

The following may be relevant to holders of Securities issued by BNPP who do not concurrently hold shares of BNPP.

#### *Withholding taxes on payments made outside France*

Securities which are not consolidated (*assimilables* for the purpose of French law) with Securities issued before 1 March 2010

Payments of interest and other revenues with respect to Securities issued by BNPP which constitute debt instruments for French tax purposes (other than Securities which are consolidated (*assimilables* for the purpose of French law) and form a single series with Securities issued before 1 March 2010 with the benefit of Article 131 *quater* of the French *Code général des impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in certain non-cooperative States or territories (*Etats ou territoires non coopératifs*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**" or "**Non-Cooperative States**"). If such payments under the Securities are made outside France in certain Non-Cooperative States, a 75 per cent. withholding tax will be applicable (subject to certain exceptions described below and the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues with respect to such Securities will not be deductible from BNPP's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) 12.8 per cent. for payments benefiting individuals who are not French tax residents, (ii) 30 per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons who are not French tax residents or (iii) 75 per cent. for payments made outside France in certain Non-Cooperative States (subject to certain exceptions described below and the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the Deductibility Exclusion will apply in respect of an issue of Securities if BNPP can prove that the main purpose and effect of such issue of Securities was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211 n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 n°70 and 80 and BOI-IR-DOMIC-10-20-20-60-20150320 n°10, an issue of Securities will benefit from the Exception without BNPP having to provide any proof of the purpose and effect of such issue of Securities, if such Securities are:

- (a) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (b) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (c) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Securities which are consolidated (*assimilables* for the purpose of French law) with Securities issued before 1 March 2010

Payments of interest and other revenues with respect to Securities issued by BNPP which constitute debt instruments for French tax purposes and which are consolidated (*assimilables* for the purpose of French law) and form a single series with Securities issued before 1 March 2010 with the benefit of Article 131 *quater* of the French *Code général des impôts* will be exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

Securities issued before 1 March 2010, whether denominated in Euro or in any other currency, constituting *obligations* under French law, or *titres de créances négociables* within the meaning of the *Bulletin Officiel des Finances Publiques-Impôts* BOI-RPPM-RCM-30-10-30-30-20140211, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside France for the purpose of Article 131 *quater* of the French *Code général des impôts*, in accordance with the above mentioned *Bulletin Officiel des Finances Publiques-Impôts*.

In addition, interest and other revenues paid by BNPP on Securities which constitute debt instruments for French tax purposes, which are issued from 1 March 2010 and which are to be consolidated (*assimilables* for the purpose of French law) and form a single series with Securities issued before 1 March 2010 will not be subject to the Deductibility Exclusion, and hence will not be subject to the withholding tax set out in Article 119 *bis* 2 of the French *Code général des impôts* solely on account of their being paid to an account held with a financial institution established in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

### *Withholding taxes on payments made to individuals who are fiscally domiciled in France*

Where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A I of the French *Code général des impôts*, subject to certain exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at an aggregate rate of 17.2 per cent. on such interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

### ***Securities issued by BNPP not constituting debt instruments for French tax purposes***

Payments with respect to Securities issued by BNPP which do not constitute debt instruments for French tax purposes should not be subject to, or should be exempt from, withholding tax provided that the beneficial owner of such Securities and the payments thereunder is resident or domiciled in a country which has entered into an appropriate double tax treaty with France, fulfils the relevant requirements provided in such treaty and payments under the relevant Securities are not paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State.

In addition, payments in respect of such Securities may, in certain circumstances, be non-deductible (in whole or in part) for French tax purposes if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State. Under certain conditions, and subject to the more favourable provisions of an applicable double tax treaty, such non-deductible payments may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts* subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* at a rate of up to 75 per cent..

Potential purchasers of Securities who are resident or domiciled in a country which has not entered into an appropriate double tax treaty with France or who are domiciled or established in a Non-Cooperative State are advised to consult their own appropriate independent and professionally qualified tax advisors as to the tax consequences of any investment in, ownership of, or transactions involving the Securities.

### **Transfer tax and other taxes**

The following may be relevant in connection with Securities which may be settled or redeemed by way of physical delivery of (i) certain French listed shares (or certain assimilated securities) or (ii) securities representing such listed shares (or assimilated securities).

Pursuant to Article 235 *ter* ZD of the French *Code général des impôts*, a financial transaction tax (the "**French FTT**") is applicable to any acquisition for consideration, resulting in a transfer of ownership, of (i) an equity security (*titre de capital*) as defined by Article L.212-1 A of the French *Code monétaire et financier* or an assimilated equity security (*titre de capital assimilé*) as defined by Article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognised stock exchange where the said security is issued by a company whose registered office is located in France and whose market capitalisation exceeds 1 billion Euros on 1 December of the year preceding the year in which the imposition occurs (the "**French Shares**") or (ii) a security (*titre*) representing the French Shares (irrespective of the location of the registered office of the issuer of such security). The French FTT could apply in certain circumstances to the acquisition of French Shares (or securities representing the French Shares) in connection with the exercise, settlement or redemption of any Securities.

There are a number of exemptions from the French FTT and investors should consult their counsel to identify whether they can benefit from them.

The rate of the French FTT is 0.3 per cent. of the acquisition value of the French Shares (or securities representing the French Shares).

If the French FTT applies to an acquisition of shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1 per cent. to the sale of shares issued by a company whose registered office is located in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.

## **LUXEMBOURG TAXATION**

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Securities should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

### **Withholding Tax**

#### **(i) Non-resident holders of Securities**

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Securities, nor on accrued but unpaid interest in respect of the Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Securities held by non-resident holders of Securities.

#### **(ii) Resident holders of Securities**

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the "**Relibi Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Securities, nor on accrued but unpaid interest in respect of Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by Luxembourg resident holders of Securities.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the Law will be subject to a withholding tax at a rate of 20 per cent."

## NETHERLANDS TAXATION

### General

The following summary outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Securities, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. For the purposes of Netherlands tax law, a holder of Securities may include an individual or entity who does not have the legal title of such Securities, but to whom nevertheless the Securities or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Securities or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, settlement, redemption and disposal of the Securities.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (i) investment institutions (*fiscale beleggingsinstellingen*);
- (ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are not subject to or exempt from Netherlands corporate income tax;
- (iii) holders of Securities holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Securities of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5 per cent. or more of the total issued capital of the Issuer or of 5 per cent. or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;
- (iv) persons to whom the Securities and the income from the Securities are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the Securities are attributable;
- (vi) individuals to whom Securities or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands; and
- (vii) holders of Securities for whom the benefits from the Securities qualify for the participation exemption within the meaning of article 13 of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) or would qualify for the participation exemption had the corporate holders of Securities been resident in the Netherlands.



Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

This summary does not describe the consequences of the exchange or the conversion of the Securities.

### **Withholding Tax**

All payments made by the Issuer under the Securities may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Securities do not in fact function as equity of the Issuer within the meaning of article 10, paragraph 1, under d of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

### **Corporate and Individual Income Tax**

#### **(a) Residents of the Netherlands**

If a holder of Securities is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands corporate income tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Securities are attributable, income derived from the Securities and gains realised upon the redemption, settlement or disposal of the Securities are generally taxable in the Netherlands (at up to a maximum rate of 25 per cent.).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands individual income tax purposes, income derived from the Securities and gains realised upon the redemption, settlement or disposal of the Securities are taxable at the progressive rates (at up to a maximum rate of 51.75 per cent.) under the Netherlands Income Tax Act 2001 if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Securities are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Securities are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Securities, must determine taxable income with regard to the Securities on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a rate of 4 per cent. of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Securities will be included as an asset in the individual's yield basis. The 4 per cent. deemed return on savings and investments is taxed at a rate of 30 per cent.

#### **(b) Non-residents of the Netherlands**

If a person is not a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Netherlands corporate or individual income tax purposes, such person is not liable to Netherlands

income tax in respect of income derived from the Securities and gains realised upon the settlement, redemption or disposal of the Securities, unless:

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Securities are attributable, or (2) is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Securities are attributable.

This income is subject to Netherlands corporate income tax at up to a maximum rate of 25 per cent.

- (ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Securities are attributable, or (2) realises income or gains with respect to the Securities that qualify as income from miscellaneous activities in the Netherlands which includes activities with respect to the Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is other than by way of securities entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Securities are attributable.

Income derived from the Securities as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 51.75 per cent. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "Residents of the Netherlands"). The fair market value of the share in the profits of the enterprise (which includes the Securities) will be part of the individual's Netherlands yield basis.

## **Gift and Inheritance Tax**

- (a) Residents of the Netherlands

Generally, gift tax (*schenkbelasting*) or inheritance tax (*erfbelasting*) will be due in the Netherlands in respect of the acquisition of the Securities by way of a gift by, or on behalf of, or on the death of, a holder of Securities that is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands Gift and Inheritance Tax Act 1956 at the time of the gift or his or her death. A gift made under a condition precedent is for purposes of the Netherlands Gift and Inheritance Tax Act 1956 deemed to be a made at the time the condition precedent is fulfilled and is subject to gift tax if the donor is, or is deemed to be, a resident of the Netherlands at that time.

A holder of Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands Gift and Inheritance Tax Act 1956 if he or she has been resident in the Netherlands and dies or makes a gift within ten years after leaving the Netherlands. A holder of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Gift and Inheritance Tax Act 1956 if he or she has been resident in the Netherlands and makes a gift within a twelve months period after leaving the Netherlands. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands.

(b) Non-residents of the Netherlands

No gift or inheritance tax will be due in the Netherlands in respect of the acquisition of the Securities by way of a gift by, or as a result of the death of a holder that is neither a resident nor deemed to be a resident of the Netherlands for the purposes of the Netherlands Gift and Inheritance Tax Act 1956. However, inheritance tax will be due in the case of a gift of the Securities by, or on behalf of, a holder who at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands for the purposes of the Netherlands Gift and Inheritance Tax Act 1956, but who dies within 180 days after the date of the gift and at the time of his or her death is a resident or deemed to be a resident of the Netherlands for the purposes of the Netherlands Gift and Inheritance Tax Act 1956. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled.

**Value Added Tax**

In general, no value added tax will arise in respect of payments in consideration for the issue of the Securities or in respect of a cash payment made under the Securities, or in respect of a transfer of Securities.

**Other Taxes and Duties**

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Securities.

## SPANISH TAXATION

The statements herein regarding the tax legislation in Spain are based on the laws in force in Spain as of the date of this Base Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Securities. Each prospective holder or beneficial owner of Securities should consult its tax adviser as to the Spanish tax consequences of the ownership and disposition of the Securities.

### **A. AS REGARDS CERTIFICATES**

#### **1. Spanish resident individuals**

##### **1.1 Personal Income Tax**

Personal Income Tax ("**PIT**") is levied on an annual basis on the worldwide income obtained by Spanish resident individuals, whatever its source and wherever the relevant payer is established. Therefore any income that a Spanish holder of the Certificates may receive under the Certificates will be subject to Spanish taxation.

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Certificates obtained by individuals who are tax resident in Spain will be regarded as financial income for tax purposes (i.e. a return on investment derived from the transfer of own capital to third parties).

These amounts will be included in the savings part of the taxable income subject to PIT at the following tax rates: (i) 19 per cent. for taxable income up to €6,000; (ii) 21 per cent. for taxable income from €6,001 to €50,000; and (iii) 23 per cent. for any amount in excess of €50,000.

Spanish holders of the Certificates shall compute the gross interest obtained in the savings part of the taxable base of the tax period in which it is due, including amounts withheld, if any.

Income arising on the disposal, redemption or reimbursement of the Certificates will be calculated as the difference between (a) their disposal, redemption or reimbursement value and (b) their acquisition or subscription value. Costs and expenses effectively borne on the acquisition and transfer of the Certificates may be taken into account for calculating the relevant taxable income, provided that they can be duly justified.

Likewise, expenses related to the management and deposit of the Certificates, if any, will be tax-deductible, excluding those pertaining to discretionary or individual portfolio management.

Losses that may derive from the transfer of the Certificates cannot be offset if the investor acquires homogeneous securities within the two-month period prior or subsequent to the transfer of the Certificates, until he/she transfers such homogeneous securities.

Additionally, tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Certificates, if any.

##### **1.2 Spanish Inheritance and Gift Tax**

Spanish Inheritance and Gift Tax is levied on transfers of Certificates upon death or by gift to Spanish tax resident individuals, with the taxpayer being the transferee. General tax rates currently range from 7.65 to 81.60 per cent. although the tax situation may vary depending on any applicable regional tax laws.

### **1.3 Spanish Wealth Tax**

Individuals with tax residency in Spain are subject to Spanish Wealth Tax on their total net wealth, regardless of the location of their assets or of where their rights may be exercised, to the extent that their net worth exceeds EUR 700,000. Therefore, Spanish holders of the Warrants should take into account the value of the Warrants which they hold as at 31 December of each year, when calculating their Wealth Tax liabilities. The applicable tax rates range between 0.2 per cent and 2.5 per cent although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

In accordance with Second section of Article 1 of the Royal Decree 13/2011, of 16 September, as amended by article 3 of Royal Decree-Law, 27/2018, of 28 December, a full exemption on Wealth Tax will apply in 2020 unless such exemption is revoked.

## **2. Legal Entities with Tax Residence in Spain**

### **2.1 Corporate Income Tax**

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Certificates obtained by entities which are tax resident in Spain shall be computed as taxable income of the tax period in which they accrue.

The general tax rate for Spanish Corporate Income Tax ("CIT") taxpayers is currently 25 per cent. Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions).

Tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Certificates, if any.

## **3. Individuals and Legal Entities with no Tax Residence in Spain**

A non-resident holder of Certificates who has a permanent establishment in Spain to which such Certificates are attributable is subject to Spanish Non-Residents' Income Tax on any income obtained under the Certificates including both interest periodically received and income arising on the disposal, redemption or reimbursement of the Certificates. In general terms, the tax rules applicable to individuals and legal entities with no tax residence in Spain but acting through a permanent establishment in Spain are the same as those applicable to Spanish tax resident CIT taxpayers.

## **4. Spanish withholding tax**

BNP Paribas has been advised that, under Spanish tax law currently in effect, the Issuer should not be obliged to deduct withholdings on account of Spanish income taxes since it is not a Spanish tax resident entity and does not have a permanent establishment in Spain to which the issue of the Certificates is connected.

Where a financial institution (either resident in Spain or acting through a permanent establishment in Spain) acts as depositary of the Certificates or intervenes as manager on the collection of any income under the Certificates, such financial institution will be responsible for making the relevant withholding on account of Spanish tax on any income deriving from the Certificates. To this effect income deriving from the Certificates will include not only interest payments but also income arising from the disposal, redemption or reimbursement of the Certificates, if any.

The current withholding tax in Spain is 19 per cent. Amounts withheld in Spain, if any, can be credited against the final Spanish PIT liability, in the case of Spanish resident individuals, or against final Spanish CIT liability, in the case of Spanish CIT taxpayers, or against final Spanish Non-Residents' Income Tax liability, in the case of Spanish permanent establishments of non resident investors. However, holders of the Certificates who are CIT taxpayers or Non-Residents' Income Taxpayers acting through a permanent establishment in Spain can benefit from a withholding tax exemption when the Certificates are (a) listed in an OECD official stock exchange; or (b) represented in book-entry form and admitted to trading on a Spanish secondary stock exchange or on the Alternative Fixed Income Securities Market (Mercado Alternativo de Renta Fija).

Additionally, when the Certificates (i) are represented in book-entry form; (ii) are admitted to trading on a Spanish secondary stock exchange; and (iii) generate explicit yield, holders who are PIT taxpayers can benefit from a withholding tax exemption in respect of the income arising from the transfer or repayment of the Certificates. However, under certain circumstances, when a transfer of the Certificates has occurred within the 30-day period immediately preceding any relevant interest payment date, such PIT taxpayers may not be eligible for such withholding tax exemption.

Furthermore, such financial institution may become obliged to comply with the formalities set out in the regulations of the Spanish tax legislation when intervening in the transfer or reimbursement of the Certificates.

## **5. Indirect taxation**

The acquisition, transfer, redemption, reimbursement and exchange of the Certificates will be exempt from Transfer Tax and Stamp Duty, as well as Value Added Tax.

## **B. AS REGARDS WARRANTS**

### **1. Spanish resident individuals**

#### **1.1 Personal Income Tax**

The premium or amount paid for the subscription of the Warrants would not be considered as a deductible expense, but as the acquisition value, which would include the expenses and commissions, inherent to the acquisition, paid by the acquirer.

Income obtained by holders of the Warrants covered by this Prospectus on their transfer before the expiration date will be considered as capital gains or losses on the terms of article 33 of Law 35/2006 of Personal Income Tax, of 28 November, as amended (the "**PIT Act**"). The gain or loss shall be calculated as a difference between the transfer value, once any expenses and commissions paid by the taxpayer have been deducted, and the acquisition value, as it has been defined above.

Upon the exercise of the Warrants, income obtained would be considered as capital gain or loss, being calculated as the difference between (i) the Cash Settlement Amount, once expenses have been deducted and commissions paid by the taxpayer, and (ii) the acquisition value defined above.

Failure to exercise any Warrants on the expiration date would give rise to a capital loss on the acquisition value.

Income derived from the transfer or exercise of the Warrants will be included in the savings part of the taxable income subject to PIT at the following tax rates: (i) 19 per cent. for taxable income up to €6,000; (ii) 21 per cent. for taxable income from €6,001 to €50,000; and (iii) 23 per cent. for any amount in excess of €50,000.

Additionally, tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income derived from the Warrants, if any.

## **1.2 Spanish Inheritance and Gift Tax**

Spanish Inheritance and Gift Tax is levied on transfers of Warrants upon death or by gift to Spanish tax resident individuals, with the taxpayer being the transferee. General tax rates currently range from 7.65 to 81.60 per cent., although the tax situation may vary depending on any applicable regional tax laws.

## **1.3 Spanish Wealth Tax**

Individuals with tax residency in Spain are subject to Spanish Wealth Tax on their total net wealth, regardless of the location of their assets or of where their rights may be exercised, to the extent that their net worth exceeds EUR 700,000. Therefore, Spanish holders of the Warrants should take into account the value of the Warrants which they hold as at 31 December of each year, when calculating their Wealth Tax liabilities. The applicable tax rates range between 0.2 per cent and 2.5 per cent although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

In accordance with Second section of Article 1 of the Royal Decree 13/2011, of 16 September, as amended by article 3 of Royal Decree-Law, 27/2018, of 28 December, a full exemption on Wealth Tax will apply in 2020 unless such exemption is revoked.

## **2. Legal Entities with Tax Residence in Spain**

### **Corporate Income Tax**

As a general rule, income obtained either through the transfer or the exercise of the Warrants and obtained by taxpayers subject to CIT will be included in their taxable income under general provisions, with the possibility of applying tax credits for the avoidance of international double taxation in respect of taxes paid outside Spain on income derived from the Warrants, if any.

The general tax rate for Spanish Corporate Income Tax taxpayers is currently 25 per cent. Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions).

## **3. Individuals and Legal Entities with no Tax Residence in Spain**

As a general rule, income obtained by a permanent establishment located in Spain of a non-resident would be subject to taxation in a similar way than that applicable to Spanish tax resident CIT taxpayers.

In general terms, the tax rules applicable to individuals and legal entities with no tax residence in Spain but acting through a permanent establishment in Spain are the same as those applicable to Spanish tax resident CIT taxpayers.

## **4. Spanish withholding tax**

Any income derived from the Warrants will be exempt from withholding in Spain.

## **5. Indirect taxation**

The acquisition, transfer, redemption, reimbursement and exchange of the Warrants will be exempt from Transfer Tax and Stamp Duty, as well as Value Added Tax.

## **C. REPORTING OBLIGATIONS TO THE SPANISH TAX AUTHORITIES**

Spanish resident holders of Certificates and Warrants or non-resident holders with a permanent establishment in Spain to which the Certificates and Warrants are effectively connected should seek advice from their tax adviser as to whether they should include the Certificates and Warrants in the annual reporting (Form 720) to the Spanish Tax Authorities declaring assets and rights held outside Spain (filing in respect of Certificates and Warrants held as of 31 December 2019 will be due by 31 March 2020). Failure to meet this reporting obligation may trigger significant tax penalties and other tax implications.



## SWEDISH TAXATION

The following comments are of a general nature and included herein solely for information purposes. These comments are limited to Swedish taxation relating to direct holders of Securities that, unless otherwise stated, are considered to be resident in Sweden for Swedish tax purposes or that maintain a taxable presence in Sweden (e.g. a permanent establishment) under Swedish law to which the investment is attributable. The summary is based upon Swedish tax laws and practice as in effect as of the date hereof which are subject to change.

The information contained in this section is not exhaustive and is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser of the Securities. For example, this summary does not address the specific rules that apply to Securities held as current assets/stock (Sw: *lager*) in a business operation, the rules related to crediting of foreign tax, the applicability or effect of tax treaties for the avoidance of double taxation, situations where the investment is made through an investment savings account (Sw: *investeringssparkonto*) or through a capital insurance (Sw: *kapitalförsäkring*), or the rules regarding reporting obligations for, among others, payers of interest. Special tax consequences that are not described below may also apply to certain categories of taxpayers, e.g. partnerships, investment companies and life insurance companies. These comments are not intended to be, nor should they be construed to be, legal or tax advice. No representation with respect to the consequences to any particular prospective holder of a Security is made hereby. It is stressed that the Swedish tax treatment of any income and/or capital gain/loss for a particular holder of a Security is dependent on its particular situation and circumstances.

PROSPECTIVE PURCHASERS OF THE SECURITIES ARE ADVISED TO CONSULT THEIR OWN ADVISORS AS TO THE SWEDISH TAX AND OTHER TAX CONSEQUENCES (INCLUDING THE APPLICABILITY AND EFFECT OF TAX TREATIES FOR THE AVOIDANCE OF DOUBLE TAXATION) OF AN INVESTMENT IN THE SECURITIES IN THEIR PARTICULAR CIRCUMSTANCES.

### Withholding tax

No Swedish withholding tax at source (Sw: *kupongskatt*) applies to payments made by the Issuer in respect of the Securities.

However, Sweden operates a system of preliminary tax (Sw: *preliminärskatt*) to ensure payment of taxes. In the context of the Securities a preliminary tax of 30 per cent may be deducted from all payments treated as interest for tax purposes made to any individual (or estate of a deceased individual) that is resident in Sweden for tax purposes, provided the paying entity is subject to tax reporting obligations under Swedish law. A preliminary tax of 30 per cent may also be deducted from any other payments in respect of the Securities not treated as capital gains for tax purposes, if such payments are paid out together with payments that are treated as interest for tax purposes. Depending on the relevant holder's overall tax liability for the relevant fiscal year the preliminary tax may contribute towards, equal or exceed the holder's overall tax liability with any balance subsequently to be paid by or to the relevant holder, as applicable.

### Income tax

A holder that is a legal entity (except an estate of a deceased individual), e.g. a Swedish limited liability company (Sw: *aktiebolag*), is normally subject to Swedish corporate income tax on all types of income (less deductible expenses) including interest income, capital gains and other income derived from assets or liabilities. The tax rate is currently 21.4 per cent. Special tax rules may apply to certain categories of investors of varying legal form, for example insurance companies, pension foundations, investment funds and partnerships.

A holder that is an individual (or an estate of a deceased individual) is normally subject to Swedish income tax on interest income, capital gains and other income derived from assets or liabilities. The general tax rate is currently 30 per cent.

For holders that are subject to tax in Sweden, the calculation of capital gains and losses and the possibility to offset losses against other gains and/or income is generally dependent on the classification of the Securities for Swedish tax purposes. The classification of a Security for tax purposes may depend on several factors, including but not limited to the currency of issuance, whether it is to be considered listed (*Sw: marknadsnoterad*), the type and/or mix of underlying assets, references etc., and other characteristics of the Security and/or the underlying assets, references etc.

### **Non-residents**

Holders of Securities who are not Swedish residents are generally not subject to Swedish tax (including preliminary tax) on payments received under the Securities or on gains realised on the sale, exercise, redemption, exchange or any other form of disposal of the Securities in Sweden, provided that the Securities in question do not relate to a taxable presence in Sweden (e.g. a Swedish permanent establishment). Special rules may however apply in certain situations.

## NORWEGIAN TAXATION

*The following is a summary of certain Norwegian tax considerations relevant to the acquisition, ownership and disposition of Securities by holders that are residents of Norway for purposes of Norwegian taxation ("Norwegian Security Holders").*

*The summary is based upon the laws of Norway as it is interpreted and practiced as of the date of this Base Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis. The summary does not address foreign tax laws.*

*Certain specific tax consequences may occur for certain categories of Norwegian Security Holders, e.g. for Norwegian Security holders to which special tax regimes apply, in cases where benefits from Securities are connected to employment situations, if the Norwegian Security Holder ceases to be tax resident in Norway, etc.*

*The following comments are of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. The purpose of this summary is to provide a high-level and general overview of main tax consequences that may arise under Norwegian law, and does not purport to be exhaustive in respect of all tax issues of relevance for Norwegian Security Holders. Due to the general nature of this summary, potential investors are advised to consult with and rely upon their own tax advisors as to the Norwegian or other tax consequences of the purchase, beneficial ownership and disposition of the Securities.*

*The Norwegian tax consequences depend inter alia on the classification of the Securities for Norwegian tax purposes. The summary outlines certain limited aspects of Norwegian tax consequences for financial instruments which for Norwegian tax purposes are either classified as (i) debentures (debt Securities (Nw: "Mengdegjeldsbrev")) or as (ii) equity Securities.*

### **Taxation on redemption and realisation of instruments classified as debt Securities**

Norwegian Security Holders, both physical persons and companies, are taxable in Norway in respect of capital gains on the redemption or realisation of Securities classified as debt Securities, and have a corresponding right to deduct losses that arise from such redemption or realisation. The tax liability applies irrespective of how long the Securities have been owned and the number of Securities that have been redeemed or realised.

Gains or losses are calculated per Security, as the difference between the consideration received in respect of the Security and the tax basis of the Security. The tax basis of each Security is generally the Security holder's purchase price for the Security. Costs incurred in connection with the acquisition or realisation of the Security may be deducted from the Norwegian Security Holder's taxable ordinary income in the year of redemption or realisation.

Gains are taxable as ordinary income in the year of realisation, and losses can be deducted from ordinary income in the year of realisation. The Norwegian ordinary income tax rate is 22% (2019).

Interest received by Norwegian Security Holders on debt Securities is subject to ordinary income tax in Norway at a rate of 22% (2019). Please note that Norwegian Security Holders who are individuals may, under certain circumstances, be subject to additional Norwegian tax on interest received at a flat tax rate of currently 22 per cent less a risk free interest rate. Such Norwegian Security Holders are specifically advised to consult with and rely upon their own tax advisors as to the Norwegian or other tax consequences related to the Securities.

## **Taxation on the redemption and realisation of instruments classified as equity Securities**

The tax consequences for Norwegian Security Holders when the Securities are classified as equity Securities may depend on whether the Norwegian Security Holder is a physical person ("**Norwegian Individual Security Holder**") or a corporation, i.e. limited liability company, mutual fund, savings bank, mutual insurance company or similar entity ("**Norwegian Corporate Security Holder**").

### *Norwegian Individual Security Holders*

Norwegian Individual Security Holders of Securities classified as equity Securities are taxable in Norway in respect of capital gains upon redemption or realisation of the Securities. Such Security Holders have a corresponding right to deduct losses that arise upon redemption or realisation of the equity Securities. The tax liability applies irrespective of how long the Securities have been owned and the number of Securities that have been redeemed or realised.

Gains or losses are calculated per Security, as the difference between the consideration received in respect of the Security and the tax basis of Security. The tax basis of each Security is generally the Norwegian Individual Security Holder's purchase price for the Security, including costs incurred in connection with the acquisition, redemption or realisation of the Security.

Gains are taxable as ordinary income in the year of realisation, and losses can be deducted from ordinary income in the year of realisation. The Norwegian ordinary income tax rate is 22% (2019). For certain investment income, the tax basis is adjusted upwards with a factor of 1.44 before taxation/deduction, implying an effective tax at a rate of 31.68 %. An amount equal to a deemed risk free interest of the capital invested (tax basis) is generally exempt from tax.

### *Norwegian Corporate Security Holders*

Norwegian Corporate Security Holders' capital gains derived from Securities classified as equity Securities are generally subject to tax in Norway at the ordinary tax rate of 22% (2019), and losses are deductible from ordinary income. Capital gains from redemption or realisation of Securities classified as equity Securities, derived by a Norwegian Corporate Security Holder, may however be eligible for the Norwegian participation exemption to the extent the underlying objects of the Securities are shares in companies tax resident within the European Economic Area, or indices which mainly (at least 90%) derives its value from shares in companies tax resident within the European Economic Area.

For capital gains from redemption or realisation of Securities classified as equity Securities where the underlying objects of the Security are shares in companies in low-tax jurisdictions within the European Economic Area, or indices which mainly derives its value from shares in companies in low-tax jurisdictions within the European Economic Area, the Norwegian participation exemption only applies to the extent the relevant companies are considered genuinely established and conduct genuine business activities in the relevant jurisdictions.

Provided that the requirements of the participation exemption are fulfilled, capital gains upon redemption or realisation of the Securities are exempt from tax in Norway, and losses upon redemption or realisation of the Securities are not tax deductible in Norway.

## **Withholding tax**

There is currently no Norwegian withholding tax (*kildeskatt*) applicable on interest payments made by an Issuer resident in Norway, or capital gains derived from redemption or realisation of debt Securities or equity Securities. The Norwegian Ministry of Finance stated on 8 October 2018 that a consultation paper relating to

withholding tax on interest would be submitted for consultation during 2018 and that new legislation will be proposed during 2019, but such consultation paper has not yet been concluded and submitted for consultation. If such new regulations are implemented, they are expected to enter into force from the fiscal year 2019 at the earliest.

To the extent such withholding tax is introduced in the future, Norway is nevertheless unlikely to levy withholding tax on payments on the Securities provided that the Issuer is neither resident in Norway for Norwegian tax purposes nor has any other taxable presence (e.g. a permanent establishment) in Norway.

### **Net wealth tax**

Norwegian Corporate Security Holders are, with some exceptions (i.e. certain trust and estates), not subject to net wealth taxation in Norway.

Norwegian Individual Security Holders are subject to net wealth taxation in Norway. Securities are included as part of the taxable base for this purpose. The value for assessment purposes for listed Securities is the quoted value as of 1 January in the year of assessment (the year subsequent to the relevant fiscal year). The tax value of unlisted Securities is equal to the presumed market value of the as of 1 January in the year of assessment. For instruments classified as equity Securities the value for assessment purposes may be reduced with 25%. The value of debt allocated to the equity Securities for Norwegian wealth tax purposes will be reduced correspondingly (i.e. with 25%). The maximum aggregate rate of net wealth tax is currently 0.85% (2019).

### **Inheritance tax**

A transfer of Securities through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

### **Stamp duty**

There is no stamp duty or other charges in Norway on the purchase, redemption or realisation of Securities.

### **Foreign taxes**

Income taxes or capital gains taxes payable by Norwegian Security Holders in other jurisdictions, or withholding tax payable on realised amounts in respect of the Securities, may be deducted when calculating the Norwegian tax payable on the same income. The deduction is subject to various conditions and is limited to the corresponding amount of Norwegian tax applicable. The right for both Norwegian and other jurisdictions to tax Norwegian Security Holders directly or through the application of withholding taxes may be limited by an applicable tax treaty.

## FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the Code, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by foreign financial institutions ("**foreign passthru payments**") and (ii) dividend equivalent payments (as described above in "*Taxation — U.S. Dividend Equivalent Withholding*"), in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Issuers are foreign financial institutions for these purposes. A number of jurisdictions (including France and the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of an Issuer). The grandfathering date for (A) Securities that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the Federal Register, and (B) Securities that give rise to a dividend equivalent pursuant to Section 871(m) of the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalent payments. If additional Securities (as described under "*Terms and Conditions of the Securities—Further Issues*") that are not distinguishable from such previously issued grandfathered Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

## U.S. DIVIDEND EQUIVALENT WITHHOLDING

Section 871(m) of the Code treats a "dividend equivalent" payment as a dividend from sources within the United States that is generally subject to a 30 per cent. U.S. withholding tax, which may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the IRS. A "**dividend equivalent**" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). U.S. Treasury regulations issued under Section 871(m) (together with any amendments or official guidance relating thereto, the "**Section 871(m) Regulations**"), require withholding on certain non-U.S. holders of the Securities with respect to amounts treated as dividend equivalent payments. Under the Section 871(m) Regulations, only a Security that has an expected economic return sufficiently similar to that of the underlying U.S. security, based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Security a "**Specified Security**"). Certain exceptions to this withholding requirement apply, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on, or upon the date of maturity, lapse or other disposition of, the Specified Security. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Securities in respect of any dividend equivalent arising with respect to such Securities regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a non-U.S. holder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the IRS. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Securities issued on or after 1 January 2017. If the terms of a Security are subject to a "significant modification" (as defined for U.S. Tax purposes) the Security generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Security is a Specified Security. Similarly, if additional Securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Securities out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Securities are Specified Securities as the date of such subsequent sale or issuance. Consequently, a previously out of scope Security, might be treated as a Specified Security following such modification or further issuance.

The applicable Final Terms will indicate whether the Issuer has determined that Securities are Specified Securities and will specify contact details for obtaining additional information regarding the application of Section 871(m) to such Securities. The applicable Final Terms will also indicate if payments on a series of Specified Securities are calculated by reference to "Net Dividends" (i.e., the dividends paid by an issuer of a security net of 30 per cent. U.S. federal withholding tax) or "Net Total Returns" (i.e., the net total return of the U.S. source dividend paying components, as calculated by the relevant Index Sponsor, of an index that reinvests U.S. source dividends paid by an issuer of a security that is a component of the index net of 30 per cent. U.S.

withholding tax on such U.S. source dividends). A non-U.S. holder of Specified Securities should expect to be subject to withholding in respect of any underlying dividend-paying U.S. securities. The Issuer's determination is binding on non-U.S. holders of the Securities, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Securities linked to U.S. securities and their application to a specific issue of Securities may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Securities.



## **OTHER TAXATION**

The payment of the Cash Settlement Amount on the Securities, if any, will be made subject to withholding taxes and other taxes which the law may impose on holders of the Securities.

Individuals and legal entities should consult their usual tax advisors with respect to the tax treatment which applies to them.

In addition, holders of the Securities should comply with the tax laws applicable in the jurisdiction in which they are resident, subject to the application of any applicable tax treaty in force between France or, as the case may be, the Netherlands, and such jurisdiction.

Purchasers of Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Security.

TRANSACTIONS INVOLVING SECURITIES MAY HAVE TAX CONSEQUENCES FOR POTENTIAL PURCHASERS WHICH MAY DEPEND, AMONGST OTHER THINGS, UPON THE STATUS OF THE POTENTIAL PURCHASER AND LAWS RELATING TO TRANSFER AND REGISTRATION TAXES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION OF ANY ASPECT OF TRANSACTIONS INVOLVING SECURITIES SHOULD CONSULT THEIR OWN TAX ADVISERS.

Transactions involving Securities may have tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and may relate to transfer and registration taxes.

All prospective holders should seek independent advice as to their tax positions.

## OFFERING AND SALE

No action has been or will be taken by BNPP B.V., BNPP or the Managers that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BNPP B.V., BNPP and/or the Managers.

### United States

None of the Securities, the Guarantee or, in the case of Physical Delivery Securities, the Entitlement to be delivered upon the exercise (in the case of Physical Delivery Warrants) or the redemption (in the case of Physical Delivery Certificates) of such Securities has been, or will be, registered under the Securities Act or any state securities laws, and trading in the Securities has not been approved by the CFTC under the CEA. The Issuer has not registered as an investment company pursuant to the U.S. Investment Company Act of 1940, as amended. Unless otherwise specified in the applicable Final Terms, the Securities are being offered and sold in reliance on Regulation S under the Securities Act. No Securities of such series, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person or person that is not a non-United States Person (as defined in Rule 4.7 under the CEA), and any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. The Securities of such series may not be legally or beneficially owned at any time by any U.S. person and accordingly are being offered and sold outside the United States only to non-U.S. persons in reliance on Regulation S.

As used herein, a "**U.S. person**" is any person who is (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; (vi) any entity organised principally for passive investment, ten per cent. or more of the beneficial interests in which are held by persons described in (i) to (v) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being non-U.S. Persons; or (vii) any other U.S. Person as such term may be defined in Regulation S or in regulations adopted under the CEA.

Securities related to a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified currency or basket of currencies, a specified commodity or basket of commodities or Hybrid Warrants related to any of these asset classes, may not at any time be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, by or for the account or benefit of, persons that are U.S. persons as defined in Regulation S under the Securities Act or that are not non-United States Persons as defined in Rule 4.7 under the CEA unless expressly provided for pursuant to any applicable U.S. wrapper to the Base Prospectus. Any such applicable U.S. wrapper may restrict the types of Securities that can be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered and the terms of such Securities.

In connection with sales of Securities outside the United States, each relevant dealer will be required to agree that, except as described in the preceding paragraph, it has not offered, sold or delivered, and will not offer, sell or deliver, any Securities within the United States or to, or for the account or benefit of, U.S. persons as part of its distribution at any time.

In addition, until the expiration of the 40-day Distribution Compliance Period with respect to an offering of Securities pursuant to the registration exemption contained in Regulation S under the Securities Act, an offer or sale of such Securities within the United States by any dealer that is not participating in such offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption under the Securities Act.

Terms used above that are defined in Regulation S have the meanings given to them therein, as applicable.

Securities in bearer form that are debt for U.S. federal income tax purposes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain circumstances permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the Treasury regulations promulgated thereunder.

The TEFRA rules do not apply to Securities in dematerialised form.

### **European Economic Area**

Please note that in relation to EEA States, additional selling restrictions may apply in respect of any specific EEA State, including those set out below in relation to Belgium, Denmark, Finland, France, Norway, Spain, Sweden and the Netherlands.

Unless the Final Terms in respect of any Securities specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto may not be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

If the Final Terms in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Applicable”, other than with respect to the period(s) of time and in the jurisdiction(s) specified in the applicable Final Terms, then, with respect to such period(s) of time and each such Member State of the EEA, offers of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public may not be made except offers of such Securities to the public may be made:

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

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

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC, as amended or superseded.

## Belgium

With regard to Securities having a maturity of less than 12 months qualifying as money market instruments within the meaning of the Belgian Prospectus Act (as defined below) (and which therefore fall outside the scope of the Prospectus Directive), this Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers*) (the "**Belgian FSMA**"). Accordingly, no action will be taken that would be characterised as or result in a public offering of such Securities in Belgium in accordance with the Prospectus Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time (the "**Belgian Prospectus Act**").

In the case of fund linked Securities, if the relevant underlying funds are not registered in Belgium with the Belgian FSMA in accordance with the Belgian law of 3 August 2012 on the collective investment undertakings satisfying the conditions set out in Directive 2009/65/EC and undertakings for investment in receivables, as amended or replaced from time to time, or the Belgian law of 19 April 2014 on alternative collective investment undertakings and their managers, as amended or replaced from time to time, as applicable, such Fund Linked Securities cannot be offered publicly in Belgium unless (i) Cash Settlement applies or (ii) if the relevant underlying fund is a UCITS within the meaning of Directive 2009/65/EC, such Securities are offered to qualified investors only or to fewer than 150 natural or legal persons (other than qualified investors). The shares and other securities issued by such non-registered funds cannot be offered publicly in Belgium. The Securities shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

## Denmark

The Securities have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Denmark, unless in compliance with Chapters 6 or 12 of the Danish Securities Trading Act, Consolidated Act No. 1229 of 7 September 2016 and the Danish Prospectus Executive Orders issued pursuant thereto all as amended from time to time.

The Securities have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Denmark, nor admitted to trading on a regulated market in Denmark, unless and until (A) a prospectus in relation to those Securities has been approved by the competent authority in Denmark (the "**Danish Financial Supervisory Authority**") and published or, where appropriate, approved and published in another Relevant Member State in accordance with the local laws on prospectus requirements and public offering of Securities of that Member State and such competent authority has notified the Danish Financial Supervisory Authority, all in accordance with the Danish Capital Markets Act, Consolidated Act No. 12 of 8 January 2018 on Capital Markets, the Danish Executive Orders issued pursuant to the Danish Capital Markets Act, the Prospectus Regulation and the Prospectus Directive, all as applicable, amended and in force from time to time; or (B) an exemption from the requirement to prepare and publish a prospectus is available under the Danish Capital Markets Act and/or the Prospectus Regulation as applicable, amended and in force from time to time.

## Finland

The Securities cannot, directly or indirectly, be offered or sold in Finland other than in compliance with all applicable provisions of the laws of Finland, including the Finnish Securities Market Act (*Fin. Arvopaperimarkkinalaki* (746/2012)) and any regulation issued thereunder, as supplemented and amended from time to time.

## France

In the period beginning on the date of the delivery of a certificate of approval by the Authority for the Financial Markets (the "**AFM**") to the AMF of its approval of this Base Prospectus for the purposes of the Prospectus Directive and the relevant implementing measures in The Netherlands, and ending at the latest on the date which is 12 months after the date of such approval, the Issuer and any Authorised Offeror of an issue of Securities may make an offer of Securities (other than Clearstream Frankfurt Securities):

- (a) to the public in France, as defined in Article L.411-1 of the French *Code monétaire et financier* and in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the provisions of the *Règlement général* of the AMF and, as from 21 July 2019, Regulation (EU) 2017/1129 (as amended) and any applicable French laws and regulations relating thereto; and/or
- (b) in circumstances that do not constitute an offer to the public in France pursuant to Article L.411-2 of the French *Code monétaire et financier* and Article 211-2 of the *Règlement général* of the AMF and, as from 21 July 2019, Regulation (EU) 2017/1129 (as amended) and any applicable French laws and regulations relating thereto.

Clearstream Frankfurt Securities may only be issued and held outside France.

## Netherlands

Zero coupon Certificates on which interest does not become due and payable during their term but only at maturity (that qualify as savings certificates or *spaarbewijzen* as defined in the Dutch Savings Certificates Act or *Wet inzake spaarbewijzen*; the "**SCA**") may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam

N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Certificates to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such Certificates if they are physically issued outside the Netherlands and are not immediately thereafter distributed in the Netherlands.

## **Spain**

In addition to the selling restrictions under the Prospectus Directive in relation to EEA States, as stated above, when the offer is not strictly addressed to qualified investors (as described in the Prospectus Directive) in the Kingdom of Spain, any offer sale or delivery of the Securities, must be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Kingdom of Spain in accordance with the Royal Legislative Decree 4/2015 of 23 October, approving the revised text of the Spanish Securities Market.

## **Sweden**

The Securities have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Sweden, unless in compliance with the Swedish Financial Instruments Trading Act (Sw. lag (1991:980) *om handel med finansiella instrument* as amended or replaced).

## **Norway**

The Securities have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Norway, unless in compliance with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended, and the Securities Trading Regulations of 29 June 2007 no. 876, as amended.

Offering and sale in Norway of Securities that are classified as structured products (Norwegian: *sammensatte produkter*) for the purposes of the Financial Supervisory Authority of Norway's circular 15/2006 shall comply with the requirements of said circular, or, if the Dealer is a financial institution (Norwegian: *finansforetak*) for the purposes of the Norwegian Financial Institutions Act of 10 April 2015 no. 17; the requirements of section 16-2 of the Financial Institutions Regulations of 9 December 2016 no. 1502.

## GENERAL INFORMATION

### 1. Authorisation

The update of the Programme was approved by resolutions of the Board of Directors of BNPP B.V. dated 15 May 2019. No authorisation procedures are required of BNPP by French law for the giving of the Guarantee.

### 2. Approval and Listing

Application has been made to the Authority for the Financial Markets (the "**AFM**") in the Netherlands to approve this Base Prospectus as a base prospectus. Application has also been made to (i) Euronext Paris for Securities issued under the Programme to be admitted to trading on Euronext Paris and to admit the Securities for trading described herein on the regulated market of Euronext Paris and to be listed on Euronext Paris and (ii) application may be made to list Securities on Euronext Amsterdam and/or Euronext Brussels and (iii) application may be made to list Securities on Stock exchange of Madrid/Barcelona/Valencia/Bilbao and (iv) application may be made to list Securities on NASDAQ OMX Helsinki Ltd and (v) application may be made to list Securities on the Nordic Growth Market and (vi) application may be made to list Securities on NASDAQ OMX Stockholm and (vii) application may be made to list Securities on the Nordic Derivatives Exchange Stockholm and (viii) application may be made to list Securities on the Nordic MTF and (ix) application may be made to list Securities on the Boerse Stuttgart cats GmbH (the "**Cats**") and/or on other stock exchanges as set out in the applicable Final Terms and, if relevant, the applicable Final Terms will include information on the relevant Market segment of the stock exchange on which the securities are to be listed.

### 3. Notification

The Issuer may request the AFM to provide the competent authority of any EEA State with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Financial Supervision Act (*Wet op het financieel toezicht*) which implements the Prospectus Directive into Netherlands law.

Application has been made for the delivery by the AFM of a certificate of approval specifying that the Base Prospectus has been drawn up in accordance with the Prospectus Directive to the competent authorities in Belgium, Denmark, Finland, France, Luxembourg, Norway, Spain and Sweden for the purposes of the Prospectus Directive. In compliance with Article 18 of the Prospectus Directive, such notification may also be made from time to time at the Issuer's request to any other competent authority of any other Member State of the EEA.

### 4. Documents Available

From the date hereof and so long as Securities are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection at the specified office for the time being of BNP Paribas Securities Services, at the specified office for the time being in Paris of BNP Paribas Arbitrage S.N.C. and at the specified office for the time being in Amsterdam of BNP Paribas Securities Services.

- (i) copies of the *Statuts* of BNPP;
- (ii) copies of the constitutional documents of BNPP B.V. and BNP Paribas;

- (iii) the audited annual non-consolidated financial statements of BNPP B.V. for the years ended 31 December 2017 and 31 December 2018 (BNPP B.V. does not produce consolidated annual reports);
- (iv) the most recently published audited annual consolidated financial statements and unaudited semi-annual consolidated financial statements and quarterly results of BNPP;
- (v) the most recently published unaudited semi-annual non-consolidated financial statements of BNPP B.V. (BNPP B.V. does not produce consolidated semi-annual reports);
- (vi) the BNPP 2017 Registration Document (in English);
- (vii) the BNPP 2018 Registration Document (in English);
- (viii) the First Update to the BNPP 2018 Registration Document (in English);
- (ix) this Base Prospectus;
- (x) copy of the Guarantee; and
- (xi) the Agency Agreement (as amended or supplemented from time to time) between *inter alia* BNPP B.V. and BNP Paribas Securities Services dated 3 July 2019;

In the case of (i), (ii), (iv), (vii) and (viii), the documents are also available via BNPP's website: [www.invest.bnpparibas.com](http://www.invest.bnpparibas.com). In addition, copies of this Base Prospectus and any documents incorporated by reference in this Base Prospectus are available via BNPP's websites ([www.produitsdebourse.bnpparibas.fr](http://www.produitsdebourse.bnpparibas.fr); [www.bnpparibasmarkets.be](http://www.bnpparibasmarkets.be); [www.bnpparibasmarkets.nl](http://www.bnpparibasmarkets.nl); [www.educatedtrading.bnpparibas.se](http://www.educatedtrading.bnpparibas.se); <https://www.productoscotizados.com/home/>). In addition, the constitutional documents of BNPP B.V., the Guarantee and the documents listed at (iii), (v), (vi), (ix) and (xi) above are available at the registered office of BNPP B.V.

In addition, the Swedish Agency Agreement will be available for inspection at the office of the Swedish Security Agency.

## **5. Material Adverse Change**

There has been no material adverse change in the prospects of BNPP or the Group since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published).

## **6. Legal and Arbitration Proceedings**

Save as disclosed on pages 248 and 249 of the BNPP 2018 Registration Document (in English) and pages 97 to 99 of the First Update to the BNPP 2018 Registration Document (in English), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering at least the twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPP and/or the Group's financial position or profitability.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP B.V. is aware) during a period covering twelve (12)



months prior to the date of this Base Prospectus which may have, or have had in the recent past significant effects on BNPP B.V.'s financial position or profitability.

## **7. Significant Change**

There has been no significant change in the financial or trading position of BNPP or the BNPP Group since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published). There has been no significant change in the financial or trading position of BNPP B.V. since 31 December 2018 (being the end of the last financial period for which audited financial statements have been published).

## **8. Material Contracts**

Neither BNPP B.V nor BNPP has entered into contracts outside the ordinary course of its respective business, which could result in the Issuer being under an obligation or entitlement that is material to such Issuer's ability to meet its obligation to holders of Securities in respect of the Securities being issued.

## **9. Third Party Information**

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

## **10. Board of Directors**

The members of the Board of Directors of BNPP are displayed on pages 31 to 43 of the BNPP 2018 Registration Document (in English) relating to BNPP which is incorporated by reference herein.

The "Description of BNPP B.V." above includes details of the Management Board of BNPP B.V.

## **11. Conflicts of Interests**

To the knowledge of BNPP, the duties owed by the members of the Board of Directors of BNPP do not give rise to any potential conflicts of interests with such members' private interests or other duties.

The Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of Securities, between any duties to BNPP B.V. and its interests or other duties.

## **12. Auditors**

### ***BNPP***

The statutory auditors ("*Commissaires aux comptes*") of BNPP are currently the following:

Deloitte & Associés was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Laurence Dubois.

*Deputy:*

BEAS, 6 place de la Pyramide, 92908 Paris – La Défense Cedex, France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Patrice Morot.

*Deputy:*

Jean-Baptiste Deschryver, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Virginie Chauvin.

*Deputy:*

Charles de Boisriou, 61 Rue Henri-Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux Comptes*).

**BNPP B.V.**

In June 2012 Mazars Accountants N.V. (formerly Mazars Paardekooper Hoffman Accountants N.V.) was appointed as the auditor of BNPP B.V. Mazars Accountants N.V. is an independent public accountancy firm in the Netherlands registered with the NBA (*Nederlandse Beroepsorganisatie van Accountants - The Royal Netherlands Institute of Chartered Accountants*).

Mazars Accountants N.V. is registered with the trade register of the Dutch Chamber of Commerce with number 24402415.

The financial statements of BNPP B.V. for the year ending 31 December 2017 and 31 December 2018 have been audited without qualification by Mazars Accountants N.V..

### **13. Clearing System**

The Securities shall be accepted for clearance through Euroclear France, Euroclear Netherlands, Iberclear, Euroclear and/or Clearstream Banking Luxembourg, Clearstream Banking Frankfurt .

Swedish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Sweden System.

If the Securities of any series are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Clearstream is 42 avenue JF Kennedy, L-1855 Luxembourg.

The address of Euroclear Bank is 1 Boulevard du Roi Albert II B-1210 Brussels.

The address of Euroclear France is 66 rue de la Victoire, 75009 Paris.

The address of Euroclear Netherlands is Herengracht 459-469, 1017 BS Amsterdam.

The address of Iberclear is Plaza de la Lealtad, 28014 Madrid.

The address of Euroclear Sweden is P.O. Box 191, SE-101 23 Stockholm.

The address of Clearstream Banking Frankfurt is Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, D-65760 Eschborn, Federal Republic of Germany.

#### 14. Post-issuance information

Save as set out in the applicable Final Terms, the relevant Issuer will not provide post-issuance information in relation to any underlying in relation to any issue of Securities.

#### 15. Dependence of BNPP upon other members of the BNPP Group

BNPP is not dependent upon other members of the BNPP Group.

#### 16. Capitalization of BNPP and the BNP Paribas Group

<b>BNP Paribas consolidated capitalization and medium and long term debt indebtedness over one year</b>		
<b>Group accounting method</b>		
In Millions of Euros	<b>BNP PARIBAS GROUP</b> 31 March 2019 (reviewed by auditors)	<b>BNP PARIBAS GROUP</b> 31 December 2018 (reviewed by auditors)
Senior preferred debt at fair value through profit or loss <sup>(1)</sup>	41,293	37,516
Senior preferred debt at amortised cost	48,351	48,223
<b>Total Senior Preferred Debt .....</b>	<b>89,644</b>	<b>85,739</b>
Senior non-preferred debt at amortised cost	32,539	23,549
<b>Total Senior Non-Preferred Debt</b>	<b>32,539</b>	<b>23,549</b>
Redeemable subordinated debt at	15,591	14,929

amortised cost		
Undated subordinated notes at amortised cost	522	516
Undated participating subordinated notes at amortised cost	225	225
Redeemable subordinated notes at fair value through profit or loss	58	118
Perpetual subordinated debt at fair value through profit or loss <sup>(2)</sup>	669	669
Preferred shares and equivalent instruments	9,565	8,240
<b>Total Subordinated Debt</b>	<b>26,630</b>	<b>24,697</b>
Issued capital	2,500	2,500
Additional paid-in capital	24,524	24,537
Retained earnings	62,724	61,928
Unrealised or deferred gains and losses attributable to Shareholders	1,361	503
<b>Total Shareholders' Equity and Equivalents (net of proposed dividends)</b>	<b>91,109</b>	<b>89,468</b>
<b>Minority interests (net of proposed dividends) .....</b>	<b>4,253</b>	<b>4,049</b>
<b>Total Capitalization and Medium-to-Long Term Indebtedness</b>	<b>244,174</b>	<b>227,502</b>
<p><sup>(1)</sup> The table of capitalization has been presented using the prudential scope of consolidation from 30 September 2018 (the BNPP Group had previously presented is consolidated capitalization and medium-to-long term indebtedness using the accounting scope of consolidation). As stated in Pillar 3 of the BNPP 2018 Registration Document (in English), the material differences between the prudential scope of consolidation and the accounting scope of consolidation are as follows:</p> <ul style="list-style-type: none"> <li>- insurance companies (primarily BNP Paribas Cardif and its subsidiaries) that are fully consolidated within the accounting scope are accounted for under the equity method in the prudential scope of consolidation;</li> <li>- jointly controlled entities (mainly UCI Group entities and Bpost banque) are accounted for under the equity method in the accounting scope of consolidation and under the proportional consolidation method in the prudential scope of consolidation.</li> </ul> <p><sup>(2)</sup> As of 31 March 2019, EUR 205 million of subordinated debt is eligible as Tier 1 capital. EUR 205 million of subordinated debt was eligible as of 30 December 2018.</p>		

## 17. Yield

In relation to any Tranche of Fixed Rate Certificates, an indication of the yield (or, gross yield) in respect of such Certificates will be specified in the applicable Final Terms. The yield is calculated at the Issue Date on the basis of the Issue Price and on the assumption that the Securities are not subject to early cancellation. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Certificates and will not be an indication of future yield.

**18. Events impacting the solvency of BNPP**

To the best of BNPP's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of BNPP's solvency since 31 December 2018.

## INDEX OF DEFINED TERMS IN RESPECT OF THE SECURITIES

"**A**" is as defined in Warrant Condition 15.2, Share Condition 4.2(f) and ETI Condition 6.2(ii).

"**Account Holder**" is as defined in Condition 2.2.

"**Accrual Period**" is as defined in Condition 28(c).

"**Actual/Actual (ICMA)**" is as defined in Condition 28(c).

"**Actual Exercise Date**" is as defined in Condition 18 and Condition 21.1(a).

"**Actual First Traded Price**" is as defined in Index Condition 9.1.

"**Additional Disruption Event**" is as defined in Condition 15.1.

"**Adjustment**" is as defined in ETI Condition 6.2(i).

"**Administrator/Benchmark Event**" is as defined in Condition 15.1.

"**ADR**" is as defined in Share Condition 8.

"**AER Knock-out**" is as defined in Conditions 22.8(b) and 29.6(b).

"**Affected Basket Company**" is as defined in Share Condition 4.2(f).

"**Affected Commodity**" is as defined in Commodity Condition 3(b).

"**Affected Custom Index**" is as defined in Index Condition 6.2.

"**Affected ETI**" is as defined in ETI Condition 6.2(ii).

"**Affected ETI Interest**" is as defined in ETI Condition 6.2(ii).

"**Affected Exchange-traded Contract**" is as defined in Debt Condition 9(c).

"**Affected Index Component**" is as defined in Commodity Condition 3(b).

"**Affected Item**" is as defined in Commodity Condition 1, in Condition 1 under the definition of Strike Date, in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

"**Affected Relevant Assets**" is as defined in Condition 15.1.

"**Affected Share**" is as defined in Share Condition 4.2(f) and in Condition 15.2(e).

"**Affected Stapled Shares**" is as defined in Share Condition 19;

"**Affiliate**" is as defined in Condition 1.

"**Agency Agreement**" is as defined in paragraph 5 of the Terms and Conditions of Securities.

"**Alternate Cash Amount**" is as defined in Condition 5.4.

"**American Style Warrants**" is as defined in Condition 20.

"**Annex**" and "**Annexes**" is as defined in paragraph 1 of the Terms and Conditions of Securities.

"**Asset Transfer Notice**" is as defined in Condition 30.2(a).

"**Automatic Early Expiration Date**" is as defined in Condition 22.8.

"**Automatic Early Expiration Event**" is as defined in Condition 22.8.

"**Automatic Early Expiration Level**" is as defined in Condition 22.8.

"**Automatic Early Expiration Payout Amount**" is as defined in Condition 22.8.

"**Automatic Early Expiration Settlement Date**" is as defined in Condition 22.8.

"**Automatic Early Expiration Valuation Date**" is as defined in Condition 22.8.

"**Automatic Early Expiration Valuation Time**" is as defined in Condition 22.8.

"**Automatic Early Redemption Amount**" is as defined in OET Certificate Condition 1 and in Condition 29.6(b).

"**Automatic Early Redemption Date**" is as defined in OET Certificate Condition 2 and in Condition 29.6(b).

"**Automatic Early Redemption Event**" is as defined in OET Certificate Condition 1 and in Condition 29.6(b).

"**Automatic Early Redemption Level**" is as defined in Condition 29.6(b).

"**Automatic Early Redemption Payout**" is as defined in Payout Condition 1.2.

"**Automatic Early Redemption Valuation Date**" is as defined in OET Certificate Condition 1 and in Condition 29.6(b).

"**Automatic Early Redemption Valuation Period**" is as defined in Condition 29.6(b).

"**Automatic Early Redemption Valuation Time**" is as defined in Condition 29.6(b).

"**Automatic Exercise**" is as defined in Condition 20.

"**Averaging**" is as defined in Condition 20 (in the case of Warrants) and Condition 27 (in the case of Certificates).

"**Averaging Date**" is as defined in Currency Condition 1, Index Condition 8 and in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

"**B**" is as defined in Share Condition 4.2 and ETI Condition 6.2(ii).

"**Banking Day**" is as defined in Index Condition 8.

"**Barrier Level**" is as defined in Payout Condition 1.4.

"**Barrier Percentage**" is as defined in Payout Condition 1.4.

"**Basket Company**" is as defined in Share Condition 1, Share Condition 4.2(f), in Share Condition 19 and in Condition 15.2(e).

"**Basket Component**" is as defined in Commodity Condition 1.

"**Basket of Commodities**" is as defined in Commodity Condition 1.

"**Basket of Futures**" is as defined in Futures Condition 1.

"**Basket of Indices**" is as defined in Index Condition 1.

"**Basket of Shares**" is as defined in Share Condition 1.

"**Basket of Underlying References**" is as defined in Condition 22.8(b) and Condition 29.6(b).

"**Basket Price**" is as defined in Condition 22.8(b) and 29.6(b).

"**Basket**" and "**Basket of Custom Indices**" is as defined in Index Condition 8.

"**Basket Trigger Event**" is as defined in ETI Condition 1.

"**Basket Trigger Level**" is as defined in ETI Condition 1.

"**Basket Value**" is as defined in Payout Condition 2.5.

"**Bear Cash Value**" is as defined in Payout Condition 1.1(g).

"**Bear Cash Value<sub>t</sub>**" is as defined in Payout Condition 1.1(g).

"**Bear Cash Value<sub>t-1</sub>**" is as defined in Payout Condition 1.5.

"**Bear Cash Value Initial**" is as defined in Payout Condition 1.5.

"**Benchmark**" is as defined in Condition 15.1.

"**Benchmark Modification or Cessation Event**" is as defined in Condition 15.1.

"**Best Intraday Value**" is as defined in Payout Condition 2.5.

"**Best Value**" is as defined in Payout Condition 2.5.

"**BMR**" is as defined in Condition 15.1.

"**BNPP B.V.**" is as defined in paragraph 4 of the Terms and Conditions of Securities.

"**BNPP**" is as defined in paragraph 4 of the Terms and Conditions of Securities.

"**Bonus Level**" is as defined in Payout Condition 1.4.

"**Bonus Percentage**" is as defined in Payout Condition 1.4.

"**Bull Cash Value**" is as defined in Payout Condition 1.1(g).

"**Bull Cash Value<sub>t</sub>**" is as defined in Payout Condition 1.1(g).

"**Bull Cash Value<sub>t-1</sub>**" is as defined in Payout Condition 1.5.

"**Bull Cash Value Initial**" is as defined in Payout Condition 1.5.

"**Business Day**" is as defined in Condition 1.

"**C**" is as defined in the Share Condition 4.2 and ETI Condition 6.2(ii).

"**Calculated Additional Disruption Amount**" is as defined in Condition 15.2(c)(ii).



"**Calculated Additional Disruption Amount Determination Date**" is as defined in Condition 15.2(c)(ii).

"**Calculated Contract Adjustment Amount**" is as defined in Index Condition 9.2(b)(ii).

"**Calculated Contract Adjustment Amount Determination Date**" is as defined in Index Condition 9.2(b)(ii).

"**Calculated Custom Index Adjustment Event Amount**" is as defined in Index Condition 6.2(a)(ii)(E)II.

"**Calculated Custom Index Adjustment Event Amount Determination Date**" is as defined in Index Condition 6.2(a)(ii)(E)II.

"**Calculated Contract Adjustment Amount**" is as defined in Debt Condition 7(b)(ii).

"**Calculated Contract Adjustment Amount Determination Date**" is as defined in Debt Condition 7(b)(ii).

"**Calculated Extraordinary Event Amount**" is as defined in Share Condition 4.2(d)(ii).

"**Calculated Extraordinary Event Amount Determination Date**" is as defined in Share Condition 4.2(d)(ii).

"**Calculated Futures Adjustment Amount**" is as defined in Futures Condition 3.1(c)(ii).

"**Calculated Futures Adjustment Amount Determination Date**" is as defined in Futures Condition 3.1(c)(ii).

"**Calculated Index Adjustment Amount**" is as defined in Index Condition 3.2(d)(ii) and in Debt Condition 5(b)(ii).

"**Calculated Index Adjustment Amount Determination Date**" is as defined in Index Condition 3.2(d)(ii) and in Debt Condition 5(b)(ii).

"**Calculation Agent**" is as defined in paragraph 6 of the Terms and Conditions of Securities and Condition 28(b)(ii)28(b).

"**Calculation Date**" is as defined in ETI Condition 1.

"**Calculation Period**" is as defined in Condition 25.

"**Call Payout**" is as defined in Payout Condition 1.6.

"**Call Warrants**" is as defined in Condition 20.

"**Cancellation Event**" is as defined in Condition 15.1.

"**Cap Level**" is as defined in Payout Condition 1.4.

"**Cap Percentage**" is as defined in Payout Condition 1.4 and 2.4.

"**Capitalised Exercise Price**" or "**CEP<sub>t</sub>**" is as defined in OET Certificate Condition 1.

"**Cash Dividend Amount**" is as defined in Share Condition 6.

"**Cash Dividend Notice**" is as defined in Share Condition 6(b).

"**Cash Dividend Payment Date**" is as defined in Share Condition 6.

"**Cash Dividend**" is as defined in Share Condition 6.

"**Cash Settled Certificates**" is as defined in Condition 27.

"**Cash Settled Securities**" is as defined in Condition 1.

"**Cash Settled Warrants**" is as defined in Condition 20.

"**Cash Settlement Amount**" is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

"**Cash Value<sub>t-1</sub>**" is as defined in Payout Condition 1.5.

"**Cash Value<sub>t-1</sub><sup>Adjusted</sup>**" is as defined in Payout Condition 1.5.

"**CEP<sub>t-1</sub>**" is as defined in OET Certificate Condition 1.

"**Certificates**" is as defined in paragraph 3 of the Terms and Conditions of Securities.

"**Change in Law**" is as defined in Condition 15.1.

"**Clearance System Days**" is defined in Share Condition 1, ETI Condition 1 and in Debt Condition 11.

"**Clearance System**" is as defined in Share Condition 1, ETI Condition 1 and in Debt Condition 11.

"**Clearing System**" is as defined in Condition 1.

"**Closing Level**" is as defined in Index Condition 1 and Condition 8.

"**Closing Price**" is as defined in Share Condition 1 and ETI Condition 1.

"**Commodity Business Day**" is as defined in Commodity Condition 1.

"**Commodity Disrupted Day**" is as defined in Commodity Condition 1.

"**Commodity Fallback Value**" is as defined in Commodity Condition 1.

"**Commodity Index Adjustment Event**" is as defined in Commodity Condition 4(b).

"**Commodity Index Cancellation**" is as defined in Commodity Condition 4(b).

"**Commodity Index Disruption**" is as defined in Commodity Condition 4(b).

"**Commodity Index Modification**" is as defined in Commodity Condition 4(b).

"**Commodity Index**" is as defined in Commodity Condition 1.

"**Commodity OET Certificate**" is as defined in Condition 1.

"**Commodity Reference Price**" is as defined in Commodity Condition 1.

"**Commodity Securities**" is as defined in Condition 2.1.

"**Commodity Conditions**" is as defined in Annex 6, paragraph 1.

"**Commodity**" is as defined in Commodity Condition 1 and Condition 3(b).

"**Component Security**" is as defined in Index Condition 1.

"**Component Security Index**" is as defined in Index Condition 1.

"**Composite Index**" is as defined in Index Condition 1.

"**Constant Leverage Financing Rate<sub>t</sub>**" is as defined in Payout Condition 1.5.

"**Constant Percentage 1**" is as defined in Payout Condition 2.4.

"**Constant Percentage 2**" is as defined in Payout Condition 2.4.

"**control**" is as defined in Condition 1.

"**Conversion Event**" is as defined in Share Condition 8.

"**Conversion Rate**" is as defined in Payout Condition 1.4 and OET Certificate Condition 1.

"**Conversion Rate Early**" is as defined in Payout Condition 1.4.

"**Conversion Rate Final**" is as defined in Payout Condition 1.4.

"**Cumulative Coupon**" is as defined in Condition 29.6(b).

"**Currency Event**" is as defined in Condition 15.1.

"**Currency OET Certificate**" is as defined in Condition 1.

"**Currency Securities**" is as defined in Condition 2.1.

"**Currency Conditions**" is as defined in Annex 7, paragraph 1.

"**Current Exchange-traded Contract**" is as defined in Index Condition 9.1 and in Debt Condition 6.

"**Current Interest Period**" is as defined in Condition 29.6(b).

"**Custom Index Adjustment Event**" is as defined in Index Condition 6.2.

"**Custom Index Business Day (All Indices Basis)**" is as defined in Index Condition 8.

"**Custom Index Business Day (Per Index Basis)**" is as defined in Index Condition 8.

"**Custom Index Business Day (Single Index Basis)**" is as defined in Index Condition 8.

"**Custom Index Business Day**" is as defined in Index Condition 8.

"**Custom Index Cancellation**" is as defined in Index Condition 6.2.

"**Custom Index Correction Period**" is as defined in Index Condition 8.

"**Custom Index Disruption**" is as defined in Index Condition 6.2.

"**Custom Index Modification**" is as defined in Index Condition 6.2.

"**Custom Index Trading Day**" is as defined in Index Condition 8.

"**Custom Index**" or "**Custom Indices**" is as defined in Index Condition 8.

"**Cut-Off Date**" is as defined in Condition 25 (in the case of Certificates).

"**Cut-off Time**" is as defined in Payout Condition 1.5.

"**Day Count Fraction**" is as defined in Condition 28(c).

"**Daily Leverage**" is as defined in Payout Condition 1.5.

"**Daily Settlement Price**" is as defined in Debt Condition 6.

"**Daily Settlement Price Correction Period**" is as defined in Debt Condition 11.

"**Debt Conditions**" is as defined in Annex 5, paragraph 1.

"**Debt Instrument Correction Period**" is as defined in Debt Condition 11.

"**Debt Instrument Issuer**" is as defined in Debt Condition 11.

"**Debt Instrument Redemption Event**" is as defined in Debt Condition 5.

"**Delayed Date**" is as defined in Condition 30.1.

"**De-Listing**" is as defined in Share Condition 4.1.

"**De-Stapling**" is as defined in Share Condition 18.

"**Delivery Date**" is as defined in Commodity Condition 1 and in Condition 30.2(c).

"**Designated Maturity**" is as defined in Condition 28(b)(ii).

"**Determination Date(s)**" is as defined in Condition 28(c).

"**Determination Period**" is as defined in Condition 28(c).

"**Disappearance of Commodity Reference Price**" is as defined in Commodity Condition 1.

"**Disrupted Day**" is as defined in Index Condition 1, in Index Condition 8 and in Share Condition 1, ETI Condition 1, Currency Condition 1, Futures Condition 1 and in Debt Condition 11.

"**Disruption Cash Settlement Price**" is as defined in Condition 5.1.

"**Disruption Fallback**" is as defined in Commodity Condition 1 and Currency Condition 3.

"**Dividend Adjustment Amount**" is as defined in OET Certificate Condition 1 and in Payout Condition 1.5.

"**Distributed Amount**" is as defined in Share Condition 6.

"**Dividend Date**" is as defined in Share Condition 6.

"**Dividend Event**" is as defined in ETI Condition 1.

"**Dividend Expenses**" is as defined in Share Condition 6.

"**Dividend Percentage**" is as defined in OET Certificate Condition 1 and in Payout Condition 1.5.

"**Documents**" is as defined in Condition 13.2(b).

"**Dual Exchange Rate**" is as defined in Currency Condition 1.

"**due exercise**" is as defined in Condition 21.4.

"**Early Closure**" is as defined in Index Condition 1 and ETI Condition 1.

"**Entitlement**" is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

"**Entity**" is as defined in ETI Condition 1

"**ETI**" is as defined in ETI Condition 1 and Condition 6.2(ii).

"**ETI Basket**" is as defined in ETI Condition 1.

"**ETI Documents**" is as defined in ETI Condition 1.

"**ETI Interest(s)**" is as defined in ETI Condition 1 and Condition 6.2(ii).

"**ETI Interest Correction Period**" is as defined in ETI Condition 1.

"**ETI Related Party**" is as defined in ETI Condition 1.

"**ETI Securities**" is as defined in Condition 2.1.

"**ETI Conditions**" is as defined in Annex 4, paragraph 1.

"**EURIBOR**" is as defined in Condition 28(b)(ii)(C).

"**Euroclear France Certificates**" is as defined in the Condition 30.1.

"**Euroclear France Securities**" is as defined in Condition 2.2.

"**Euroclear France Warrants**" is as defined in Condition 21.1.

"**Euroclear Netherlands**" is as defined in Condition 1.

"**Euroclear Netherlands Securities**" is as defined in Condition 2.2.

"**Euroclear Netherlands Warrants**" is as defined in Condition 21.1.

"**Euroclear Sweden**" is as defined in Condition 1.

"**Euroclear Sweden Register**" is as defined in Condition 1.

"**Euroclear Sweden System**" is as defined in Condition 1.

"**Euronext Paris**" is as defined in Condition 29.2.

"**European Style Warrants**" is as defined in Condition 20.

"**Exchange**" is as defined in Index Condition 1, in Share Condition 1, ETI Condition 1, Commodity Condition 1 and Futures Condition 1.

"**Exchange Business Day (All ETI Interests Basis)**" is as defined in ETI Condition 1

"**Exchange Business Day (All Futures Basis)**" is as defined in Futures Condition 1.

"**Exchange Business Day (All Indices Basis)**" is as defined in Index Condition 1.

"**Exchange Business Day (All Share Basis)**" is as defined in Share Condition 1.

**"Exchange Business Day (Per ETI Interest Basis)"** is as defined in ETI Condition 1.

**"Exchange Business Day (Per Future Basis)"** is as defined in Futures Condition 1.

**"Exchange Business Day (Per Index Basis)"** is as defined in Index Condition 1.

**"Exchange Business Day (Per Share Basis)"** is as defined in Share Condition 1.

**"Exchange Business Day (Single ETI Interest Basis)"** is as defined in ETI Condition 1.

**"Exchange Business Day (Single Future Basis)"** is as defined in Futures Condition 1.

**"Exchange Business Day (Single Index Basis)"** is as defined in Index Condition 1.

**"Exchange Business Day (Single Share Basis)"** is as defined in Share Condition 1.

**"Exchange Business Day"** is as defined in Index Condition 1, in Share Condition 1, ETI Condition 1 and in Debt Condition 2 and Futures Condition 1.

**"Exchange Disruption"** is as defined in Index Condition 1, in Share Condition 1, ETI Condition 1 and Futures Condition 1.

**"Exchange Rate Final"** is as defined in Payout Condition 1.4.

**"Exchange Rate"** is as defined in Payout Condition 1.4.

**"Exchange-traded Contract"** is as defined in Index Condition 9.1 and in Debt Condition 6.

**"exchange traded instrument"** is as defined in Condition 2.1

**"Ex-Dividend Date"** is as defined in OET Certificate Condition 1 and in Payout Condition 1.5.

**"Exempt Securities"** is as defined in paragraph 2 of the Terms and Conditions of Securities.

**"Exercise"** is as defined in Condition 21.4.

**"Exercise Business Day"** is as defined in Condition 18.

**"Exercise Notice"** is as defined in Condition 22.1.

**"Exercise Price"** is as defined in OET Certificate Condition 1 and in Condition 1.

**"Expenses"** is as defined in Condition 11.2.

**"Expiration Date"** is as defined in Condition 18.

**"Extraordinary ETI Event"** is as defined in ETI Condition 4.

**"Extraordinary ETI Event Effective Date"** is as defined in ETI Condition 1.

**"Extraordinary ETI Event Notice"** is as defined in ETI Condition 6.1.

**"Extraordinary ETI Event Notification Date"** is as defined in ETI Condition 6.1.

**"Extraordinary Event Effective Date"** is as defined in Share Condition 1.

**"Extraordinary Event"** is as defined in Share Condition 4.1

"**Extraordinary External Event**" is as defined in Condition 15.1.

"**Failure to Deliver due to Illiquidity**" is as defined in Condition 15.1.

"**Failure to Deliver Settlement Price**" is as defined in Condition 15.2(e).

"**FBF Agreement**" is as defined in Condition 28(b)(iii).

"**FBF Rate**" is as defined in Condition 28(b).

"**Fee**" is as defined in Payout Condition 1.5.

"**Final Calculation Date**" is as defined in ETI Condition 1.

"**Final Interest Pricing Date**" is as defined in Commodity Condition 1.

"**Final Payout**" is as defined in Payout Condition 1.1.

"**Final Price Early**" is as defined in OET Certificate Condition 1.

"**Final Pricing Date**" is as defined in Commodity Condition 1.

"**Final Underlying Reference Value**" is as defined in Payout Condition 2.4.

"**Financing Amount<sub>t</sub>**" is as defined in Payout Condition 1.5.

"**Financing Rate Percentage**" is as defined in OET Certificate Condition 1.

"**Financing Rate Range**" is as defined in OET Certificate Condition 1.

"**Financing Rate<sub>t-1</sub>**" is as defined in OET Certificate Condition 1.

"**First Entity**" is as defined in Condition 1.

"**First Traded Price**" is as defined in Index Condition 9.1.

"**Fixed Interest Margin**" is as defined in Payout Condition 1.5.

"**Fixed Rate Certificates**" is as defined in Condition 28.

"**Floating Rate**" is as defined in Condition 28(b)(ii).

"**Floating Rate Certificates**" is as defined in Condition 28.

"**Floating Rate Option**" is as defined in Condition 28(b)(ii).

"**Floor Percentage**" is as defined in Payout Condition 2.4.

"**freely tradable**" is as defined in Condition 5.4.

"**French Security Agent**" is as defined in paragraph 5 of the Terms and Conditions of Securities.

"**Future**" or "**Futures**" is as defined in Futures Condition 1.

"**Futures Adjustment Event**" is as defined in Futures Condition 1.

"**Futures Conditions**" is as defined in Annex 8, paragraph 1.

"**Futures Contract**" is as defined in Commodity Condition 1.

"**Futures Correction Period**" is as defined in Futures Condition 1.

"**Futures De-Listing**" is as defined in Futures Condition 1.

"**Futures Modification**" is as defined in Futures Condition 1.

"**Futures OET Certificate**" is as defined in Condition 1.

"**Futures or Options Exchange**" is as defined in Index Condition 9.1 and in Debt Condition 6.

"**Futures Replacement**" is as defined in Futures Condition 1.

"**Futures Rollover Adjustment Amount**" is as defined in OET Certificate Condition 1 and in Payout Condition 1.5.

"**Futures Rollover Date**" is as defined in Commodity Condition 1, in Index Condition 9.1 and in Debt Condition 6.

"**Futures Rollover Period**" is as defined in Index Condition 9.1, in Commodity Condition 1 and in Debt Condition 6.

"**Futures Securities**" is as defined in Condition 2.1.

"**FX Value**" is as defined in Payout Condition 2.5.

"**GDR**" is as defined in Share Condition 8.

"**GDR/ADR**" is as defined in Condition 2.1.

"**Gearing**" is as defined in Payout Condition 2.4.

"**General Meeting**" is as defined in Condition 9.4.

"**Government Authority**" is as defined in Condition 15.1.

"**Guarantee**" is as defined in Condition 1.

"**Guaranteed Cash Settlement Amount**" is as defined in Condition 4.

"**Guarantor**" is as defined in Condition 1.

"**Hedge**" is as defined in Condition 15.1.

"**Hedge Provider**" is as defined in ETI Condition 1.

"**Hedging Cost**" is as defined in Payout Condition 1.5.

"**Hedging Date**" is as defined in ETI Condition 1.

"**Hedging Disruption**" is as defined in Condition 15.1.

"**Hedging Shares**" is as defined in ETI Condition 1 in Condition 15.1.

"**Holder**" is as defined in Condition 2.2.



"**Holder of Certificates**" is as defined in Condition 2.2.

"**Holder of Securities**" is as defined in Condition 2.2.

"**Hybrid Securities**" is as defined in Condition 2.1.

"**Hypothetical Investor**" is as defined in ETI Condition 1

"**Iberclear**" is as defined in Condition 1.

"**Iberclear Warrants**" is as defined in Condition 21.1.

"**Illiquidity Disruption**" is as defined in Currency Condition 1.

"**Illiquidity**" is as defined in Share Condition 4.1.

"**Implied Embedded Option Value**" is as defined in ETI Condition 1

"**Implied Embedded Option Value Determination Date**" is as defined in ETI Condition 1

"**Increased Cost of Hedging**" is as defined in Condition 15.1.

"**Increased Cost of Stock Borrow**" is as defined in Condition 15.1.

"**Index Adjustment Event**" is as defined in Index Condition 3.2.

"**Index Cancellation**" is as defined in Index Condition 3.2.

"**Index Component Disruption Event**" is as defined in Commodity Condition 1.

"**Index Component**" is as defined in Commodity Condition 1 and Condition 3(b).

"**Index Conditions**" is as defined in Annex 2, paragraph 1.

"**Index Correction Period**" is as defined in Index Condition 1.

"**Index Disruption**" is as defined in Index Condition 3.2.

"**Index Modification**" is as defined in Index Condition 3.2.

"**Index OET Certificate**" is as defined in Condition 1.

"**Index Securities**" is as defined in Condition 2.1.

"**Index Share**" is as defined in OET Certificate Condition 1 and in Payout Condition 1.5.

"**Index Sponsor**" is as defined in Index Condition 1 and Condition 8.

"**Index**" and "**Indices**" is as defined in Index Condition 1.

"**Initial Calculation Date**" is as defined in ETI Condition 1.

"**Initial Interest Pricing Date**" is as defined in Commodity Condition 1.

"**Initial Pricing Date**" is as defined in Commodity Condition 1.

"**Initial Stock Loan Rate**" is as defined in Condition 15.1.

"**Insolvency Filing**" is as defined in Condition 15.1.

"**Insolvency**" is as defined in Share Condition 4.1.

"**Interbank Rate 1 Screen Page**" is as defined in OET Certificate Condition 1.

"**Interbank Rate 1 Specified Time**" is as defined in OET Certificate Condition 1.

"**Interbank Rate 1**" is as defined in OET Certificate Condition 1.

"**Interbank Rate 2 Screen Page**" is as defined in OET Certificate Condition 1.

"**Interbank Rate 2 Specified Time**" is as defined in OET Certificate Condition 1.

"**Interbank Rate 2**" is as defined in OET Certificate Condition 1.

"**Interests**" is as defined in ETI Condition 1.

"**Interest Amount**" is as defined in Condition 28(b)(v).

"**Interest Determination Date**" is as defined in Condition 28(b)(v).

"**Interest Period End Date**" is as defined in Condition 28(b)(i).

"**Interest Period End Final Date**" is as defined in Condition 28(a) and Condition 28(b)(i).

"**Interest Pricing Date**" is as defined in Commodity Condition 1.

"**Intervening Period**" is as defined in Condition 30.2(d).

"**Intraday Level**" is as defined in Index Condition 1, Index Condition 8 and Payout Condition 2.5.

"**Intraday Price**" is as defined in Share Condition 1, in ETI Condition 1, Commodity Condition 1 and Payout Condition 2.5.

"**Investment/AUM Level**" is as defined in ETI Condition 1

"**ISDA Definitions**" is as defined in Condition 28(b)(ii).

"**Issuer**" as defined in paragraph 3 of the Terms and Conditions of Securities.

"**Jurisdiction Event**" is as defined in Condition 15.1.

"**Knock-in Averaging Date**" is as defined in Currency Condition 1.

"**Knock-in Determination Day**" is as defined in Condition 16.7.

"**Knock-in Determination Period**" is as defined in Condition 16.7.

"**Knock-in Event**" is as defined in Condition 16.7.

"**Knock-in Level**" is as defined in Condition 16.7.

"**Knock-in Observation Price Source**" is as defined in Condition 16.7.

"**Knock-in Period Beginning Date**" is as defined in Condition 16.7.

"**Knock-in Period Ending Date**" is as defined in Condition 16.7.

"**Knock-in Range Level**" is as defined in Condition 16.7.

"**Knock-in Valuation Time**" is as defined in Condition 16.7.

"**Knock-out Corridor Value 1**" is as defined in Condition 16.7;

"**Knock-out Corridor Value 2**" is as defined in Condition 16.7;

"**Knock-out Determination Day**" is as defined in Condition 16.7.

"**Knock-out Determination Period**" is as defined in Condition 16.7.

"**Knock-out Event**" is as defined in Condition 16.7.

"**Knock-out High Barrier**" is as defined in Condition 16.7;

"**Knock-out Level**" is as defined in Condition 16.7.

"**Knock-out Low Barrier**" is as defined in Condition 16.7;

"**Knock-out Observation Price Source**" is as defined in Condition 16.7.

"**Knock-out Period Beginning Date**" is as defined in Condition 16.7.

"**Knock-out Period Ending Date**" is as defined in Condition 16.7.

"**Knock-out Range Level**" is as defined in Condition 16.7.

"**Knock-out Valuation Time**" is as defined in Condition 16.7.

"**Level**" is as defined in Condition 16.7.

"**LIBOR**" is as defined in Condition 28(b)(ii)(C).

"**Limit Price Event**" is as defined in the Commodity Conditions, Condition 1.

"**Linked Interest Certificates**" is as defined in Condition 28.

"**Listing Change**" is as defined in Share Condition 4.1.

"**Listing Date**" is as defined in Payout Condition 1.4.

"**Listing Place**" is as defined in Payout Condition 1.5.

"**Listing Place Business Day**" is as defined in Payout Condition 1.5.

"**Listing Suspension**" is as defined in Share Condition 4.1.

"**Local Business Day**" is as defined in OET Certificate Condition 1.

"**Local Currency**" is as defined in Condition 15.1.

"**Local Time**" is as defined in Condition 1.

"**Loss of Stock Borrow**" is as defined in Condition 15.1 and in ETI Condition 1.

**"Luxembourg or Brussels time"** is as defined in Condition 21.4.

**"Madrid Security Agent"** is as defined in Terms and Conditions of Securities, paragraph 4.

**"Market Disruption Event"** is as defined in Index Condition 2, in Share Condition 2, in ETI Condition 2, Commodity Condition 1, in Debt Condition 3 and Futures Condition 1.

**"Masse"** is as defined in Condition 9.4.

**"Material Change in Content"** is as defined in Commodity Condition 1.

**"Material Change in Formula"** is as defined in Commodity Condition 1.

**"Maximum Hedging Cost"** is as defined in Payout Condition 1.5.

**"Maximum Stock Loan Rate"** is as defined in ETI Condition 1 and in Condition 15.1.

**"Merger Event"** is as defined in the Share Condition 4.1 and in ETI Condition 1.

**"MID"** is as defined in Share Condition 4.1.

**"Modified Postponement"** is as defined in Condition 18 and in Condition 25.

**"Moody's"** is as defined in ETI Condition 4.8.

**"Multi-Exchange Index"** is as defined in Index Condition 1.

**"n"** is as defined in Payout Condition 1.4.

**"NA"** is as defined in Payout Condition 2.4.

**"Nationalisation"** is as defined in Share Condition 4.1.

**"Nearby Month"** is as defined in Commodity Condition 1.

**"Non-Approval Event"** is as defined in Condition 15.1.

**"Non-Commencement or Discontinuance of the Exchange-traded Contract"** is as defined in Index Condition 9.1 and in Debt Condition 6.

**"Notice Period"** is as defined in Conditions 29.3.

**"Number of Value Publication Days"** is as defined in ETI Condition 1.

**"Observation Date"** is as defined in Index Condition 8 and in Condition 18 (in the case of Warrants) and 25 (in the case of Certificates).

**"Observation Period"** is as defined in Index Condition 8 and in Condition 18 (in the case of Warrants) and Security 25 (in the case of Certificates).

**"Observation Price Source"** is as defined in OET Certificate Condition 1, in Payout Condition 1.4, in Condition 22.8 and in Condition 29.6(b).

**"Observation Price"** is as defined in OET Certificate Condition 1.

**"Observation Time(s)"** is as defined in OET Certificate Condition 1.

"**OET Certificate**" is as defined in Condition 1.

"**OET Certificate Conditions**" is as defined in Annex 9, paragraph 1.

"**Official Settlement Price**" is as defined in Index Condition 9.1.

"**Omission**" is as defined in Condition 18 and in Condition 25.

"**Open End Certificate**" is as defined in Condition 25.

"**Optional Additional Disruption Event**" is as defined in Condition 15.1.

"**Optional Redemption Amount**" is as defined in Conditions 29.2 and 29.3.

"**Options Exchange**" is as defined in Share Condition 4.2(e) and in ETI Condition 6.2(i)(b).

"**Paris Business Day**" is as defined in Condition 28(b)(vii).

"**Parity**" is as defined in OET Certificate Condition 1 and in Payout Condition 1.4.

"**Payout Conditions**" is as defined in Annex 1, paragraph 1.

"**Physical Delivery Certificates**" is as defined in Condition 27.

"**Physical Delivery Securities**" is as defined in Condition 1.

"**Physical Delivery Warrants**" is as defined in Condition 20.

"**Postponement**" is as defined in Condition 18 and in Condition 25.

"**Potential Adjustment Event**" is as defined in Share Condition 3 and in ETI Condition 3.

"**Potential Adjustment Event Effective Date**" is as defined in Share Condition 3 and in ETI Condition 3.

"**Premium Percentage**" is as defined in Payout Condition 1.4.

"**Price Source Disruption**" is as defined in Commodity Condition 1 and Currency Condition 1.

"**Price Source**" is as defined in Commodity Condition 1 and Currency Condition 1.

"**Pricing Date**" is as defined in Commodity Condition 1.

"**Principal Protected Termination Amount**" is as defined in ETI Condition 1.

"**Principal Security Agent**" is as defined in paragraph 5 of the Terms and Conditions of Securities.

"**Proceedings**" is as defined in Condition 14.

"**Protected Amount**" is as defined in ETI Condition 1.

"**Put Payout**" is as defined in Payout Condition 1.3.

"**Put Warrants**" is as defined in Condition 20.

"**Quota**" is as defined in Condition 23.1(b).

"**Rate<sub>(i)</sub>**" is as defined in Payout Condition 2.4.

"**Rate Period**" is as defined in Payout Condition 1.5.

"**Redemption Date**" is as defined in Condition 29.1.

"**Reference Banks**" is as defined in Condition 25.

"**Reference Dealers**" is as defined in Commodity Condition 1.

"**Reference Interest Rate<sub>t-1</sub>**" is as defined in Payout Condition 1.5.

"**Related Exchange**" is as defined in Share Condition 1 and in ETI Condition 1.

"**Related Expenses**" is as defined in Condition 11.2.

"**Relative Performance Basket**" is as defined in Share Condition 1.

"**Relevant Adjustment Provisions**" is as defined in Condition 16.7, 22.8(b) and 29.6(b).

"**Relevant Automatic Early Expiration Valuation Date**" is as defined in Condition 22.8.

"**Relevant Business Day**" is as defined in OET Certificate Condition 1 and in Payout Condition 1.5.

"**Relevant Jurisdiction**" is as defined in Condition 1.

"**Relevant Period**" is as defined in Share Condition 4.1.

"**Relevant Price**" is as defined in Commodity Condition 1.

"**Reset Date**" is as defined in OET Certificate Condition 1, and in Condition 28(b)(ii).

"**Reset Event**" is as defined in Payout Condition 1.5.

"**Reset Percentage**" is as defined in Payout Condition 1.5.

"**Reset Price**" is as defined in Payout Condition 1.5.

"**Reset Threshold**" is as defined in Payout Condition 1.5.

"**Reset Threshold Percentage**" is as defined in Payout Condition 1.5.

"**Rolling Futures Contract Securities**" is as defined in Condition 1.

"**S&P**" is as defined and in ETI Condition .4.28

"**Scheduled Averaging Date**" is as defined in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

"**Scheduled Closing Time**" is as defined in Condition 1.

"**Scheduled Custom Index Business Day (All Indices Basis)**" is as defined in Index Condition 8.

"**Scheduled Custom Index Business Day (Per Index Basis)**" is as defined in Index Condition 8.

"**Scheduled Custom Index Business Day (Single Index Basis)**" is as defined in Index Condition 8.

"**Scheduled Custom Index Business Day**" is as defined in Index Condition 8.

**"Scheduled Payment Date"** is as defined in Condition 30.1.

**"Scheduled Pricing Date"** is as defined in Commodity Condition 1.

**"Scheduled Strike Date"** is as defined in Condition 1.

**"Scheduled Trading Day (All ETI Interest Basis)"** is as defined in ETI Condition 1

**"Scheduled Trading Day (All Futures Basis)"** is as defined in Futures Condition 1.

**"Scheduled Trading Day (All Indices Basis)"** is as defined in Index Condition 1.

**"Scheduled Trading Day (All Share Basis)"** is as defined in Share Condition 1.

**"Scheduled Trading Day (Per ETI Interest Basis)"** is as defined in ETI Condition 1

**"Scheduled Trading Day (Per Future Basis)"** is as defined in Futures Condition 1.

**"Scheduled Trading Day (Per Index Basis)"** is as defined in Index Condition 1.

**"Scheduled Trading Day (Per Share Basis)"** is as defined in Share Condition 1.

**"Scheduled Trading Day (Single ETI Interest Basis)"** is as defined in ETI Condition 1

**"Scheduled Trading Day (Single Future Basis)"** is as defined in Futures Condition 1.

**"Scheduled Trading Day (Single Index Basis)"** is as defined in Index Condition 1.

**"Scheduled Trading Day (Single Share Basis)"** is as defined in Share Condition 1.

**"Scheduled Trading Day"** is as defined in Index Condition 1, in Share Condition 1, in ETI Condition 1, in Currency Condition 1, in Debt Condition 11 and in Futures Condition 1.

**"Scheduled Valuation Date"** is as defined in Condition 1.

**"Single Underlying Reference Value"** is as defined in Payout Condition 2.5.

**"Single Underlying Reference Intraday Value"** is as defined in Payout Condition 2.5.

**"Securities"** is as defined in paragraph 3 of the Terms and Conditions of Securities.

**"Security Agent"** and **"Security Agents"** is as defined in paragraph 5 of the Terms and Conditions of Securities.

**"Security Expenses"** is as defined in Condition 11.1.

**"Security Percentage"** is as defined in OET Certificate Condition 1.

**"Security Threshold"** is as defined in OET Certificate Condition 1.

**"Series"** is as defined in paragraph 4 of the Terms and Conditions of the Securities.

**"Settled Amount"** is as defined in Share Condition 4.2(b).

**"Settlement Business Day"** is as defined in Condition 5.1.

**"Settlement Currency"** is as defined in the OET Certificate Condition 1 and Payout Condition 1.5.

"**Settlement Cycle**" is as defined in Index Condition 1, in Share Condition 1, in ETI Condition 1, in Debt Condition 11 and Futures Condition 1.

"**Settlement Date**" is as defined in Condition 18.

"**Settlement Disruption Event**" is as defined in Condition 5.1.

"**Settlement Price**" is as defined in Index Condition 1, in Index Condition 8, in Index Condition 9.1, in Share Condition 1, in ETI Condition 1, in Debt Condition 1, Commodity Condition 1 and Futures Condition 1.

"**Settlement Price Date**" is as defined in Index Condition 1, in Share Condition 1 and Currency Condition 1.

"**Settlement Price Final**" is as defined in Payout Condition 1.4.

"**Share Company**" is as defined in Share Condition 1.

"**Share Conditions**" is as defined in Annex 3, paragraph 1.

"**Share Correction Period**" is as defined in Share Condition 1.

"**Share Event**" is as defined in Share Condition 10.

"**Share OET Certificate**" is as defined in Condition 1.

"**Share Securities**" is as defined in Condition 2.1.

"**Share**" and "**Shares**" is as defined in Share Condition 1, in Share Condition 4.2(f), in Share Condition 19 and in Condition 15.2(e).

"**Significant Alteration Event**" is as defined in Condition 15.1.

"**Specified Maximum Days of Disruption**" is as defined in ETI Condition 1, in Commodity Condition 1, in Currency Condition 1, in Index Condition 8 and in Condition 1.

"**Specified Price**" is as defined in Commodity Condition 1.

"**SPS Valuation Date**" is as defined in Payout Condition 2.4.

"**Stapled Share Constituent**" is as defined in Share Condition 1.

"**Stapled Shares**" is as defined in Share Condition 1.

"**Stapling**" is as defined in Share Condition 4.1.

"**Stop-Loss Event**" is as defined in Condition 15.1.

"**Strike Date**" is as defined in Index Condition 8, in Currency Condition 1 and in Condition 1.

"**Strike Day**" is as defined in Currency Condition 1 and in Condition 1.

"**Strike Level**" is as defined in Payout Condition 1.4.

"**Strike Percentage**" is as defined in Payout Condition 1.5.

"**Strike Period**" is as defined in Currency Condition 1 and in Condition 1.

"**Strike Price**" is as defined in Index Condition 8, in Payout Condition 1.4.



**"Substitute Asset"** and **"Substitute Assets"** is as defined in Condition 5.4.

**"Substitute Commodity"** is as defined in Commodity Condition 3(b).

**"Substitute ETI Interest"** is as defined in ETI Condition 6.2(ii).

**"Substitute Exchange-traded Contract"** is as defined in Debt Condition 9(c).

**"Substitute Guarantee"** is as defined in Condition 13.2(b).

**"Substitute Guarantor"** is as defined in Condition 13.

**"Substitute Index Component"** is as defined in Commodity Condition 3(b).

**"Substitute Share"** is as defined in Share Condition 4.2(f), in Share Condition 19 and in Condition 15.2(e).

**"Substitution"** is as defined in ETI Condition 1.

**"Substitution Date"** is as defined in Share Condition 4.2, in ETI Condition 6.2, in Commodity Condition 3(b) and in Condition 15.2(e).

**"sub-unit"** is as defined in Condition 28(a).

**"Successor Commodity Index"** is as defined in Commodity Condition 4(a).

**"Successor Custom Index"** is as defined in Index Condition 6.1.

**"Successor Index Sponsor"** is as defined in Commodity Condition 4(a) and in Index Condition 3.1.

**"Successor Index"** is as defined in Index Condition 3.1 and in Condition 15.2(d).

**"Swedish Agency Agreement"** defined in the Terms and Conditions of the Securities, paragraph 4.

**"Swedish Dematerialised Certificates"** is as defined in Condition 1 and Condition 25.

**"Swedish Dematerialised Warrants"** is as defined in Condition 1 and Condition 28.

**"Swedish Record Date"** is as defined in Condition 1 and in Condition 30.1 in respect of the Warrants and in Condition 22.3 in respect of the Warrants.

**"Swedish Security Agent"** is as defined in the Terms and Conditions of the Securities, paragraph 4.

**"TARGET2 Settlement Day"** is as defined in Condition 1.

**"Tax Disruption"** is as defined in Commodity Condition 1.

**"Tax Event"** is as defined in ETI Condition 4.20

**"Taxes"** is as defined in Condition 11.2.

**"Tender Offer"** is as defined in ETI Condition 1.

**"Termination"** is as defined in ETI Condition 6.2(iii)

**"Termination Amount"** is as defined in ETI Condition 1.

**"Termination Date"** is as defined in ETI Condition 1.

**"Terms and Conditions"** is as defined in paragraph 1 of the Terms and Conditions of Securities.

**"Trade Date"** is as defined in Condition 15.1 and ETI Condition 1.

**"Trading Disruption"** is as defined in Index Condition 1 and in Share Condition 1, in ETI Condition 1, in Commodity Condition 1 and in Futures Condition 1.

**"Tranche"** is as defined in paragraph 4 of the Terms and Conditions of the Securities.

**"Underlying Business Day"** is as defined in Payout Condition 1.5.

**"Underlying Performance<sub>t</sub>"** is as defined in Payout Condition 1.5.

**"Underlying Price<sub>t</sub>"** is as defined in Payout Condition 1.5.

**"Underlying Price<sub>t-1</sub>"** is as defined in Payout Condition 1.5.

**"Underlying Reference"** is as defined in OET Certificate Condition 1, Payout Condition 1.4 and in Conditions 16.7, 22.8(b) and 29.6(b).

**"Underlying Reference Closing Price Value"** is as defined in Payout Condition 2.5.

**"Underlying Reference Intraday Value"** is as defined in Payout Condition 2.5.

**"Underlying Reference Intraday Price Value"** is as defined in Payout Condition 2.5.

**"Underlying Reference Level"** is as defined in Payout Condition 1.4, and in Conditions 22.8 and 29.6(b).

**"Underlying Reference FX Level"** is as defined in Payout Condition 2.5.

**"Underlying Reference FX Strike Level"** is as defined in Payout Condition 2.5.

**"Underlying Reference Strike Price"** is as defined in Payout Condition 2.5.

**"Underlying Reference Value"** is as defined in Payout Condition 2.4.

**"Underlying Reference Weighting"** is as defined in Payout Condition 2.5.

**"Underlying Share"** is as defined in Condition 2.1.

**"Underlying Shares"** is as defined in Share Condition 8.

**"Units"** is as defined in Condition 20.

**"Valid Date"** is as defined in Currency Condition 1, in Index Condition 8, in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates);

**"Valuation Date"** is as defined in the Payout Condition 1.1(g), in the Index Condition 8, in Currency Condition 1, in OET Certificate Condition 1 and in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

**"Valuation Time"** is as defined in the Currency Condition 1, in Index Condition 8, in ETI Condition 1 and in Condition 18 (in the case of Warrants) and Condition 25 (in the case of Certificates).

**"Value Business Day"** is as defined in ETI Condition 1

**"Value per ETI Interest"** is as defined in ETI Condition 1

**"Value per ETI Interest Trading Price Barrier"** is as defined in ETI Condition 1

**"Value per ETI Interest Trading Price Differential"** is as defined in ETI Condition 1

**"Value per ETI Interest Trigger Event"** is as defined in ETI Condition 1

**"Value Trigger Percentage"** is as defined in ETI Condition 1

**"Value Trigger Period"** is as defined in ETI Condition 1

**"Warrants"** is as defined in paragraph 3 of the Terms and Conditions of Securities.

**"Worst Intraday Value"** is as defined in Payout Condition 2.5.

**"Worst Value"** is as defined in Payout Condition 2.5.

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**First Supplement dated 13 September 2019**  
**to the Warrant and Certificate Programme Base Prospectus dated 3 July 2019**



**BNP PARIBAS**

**BNP Paribas Issuance B.V.**  
*(incorporated in The Netherlands)*  
*(as Issuer)*

**BNP Paribas**  
*(incorporated in France)*  
*(as Issuer and Guarantor)*

**Warrant and Certificate Programme**

This first supplement (the "**First Supplement**") is supplemental to, and should be read in conjunction with the base prospectus dated 3 July 2019 (the "**Base Prospectus**") in relation to the Warrant and Certificate Programme (the "**Programme**") of BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNP Paribas ("**BNPP**").

The Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of 4 November 2003 (as amended or superseded) (the "**Prospectus Directive**") to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area. The Authority for the Financial Markets ("**AFM**") in the Netherlands approved the Base Prospectus on 3 July 2019. Application has been made to the AFM for approval of this First Supplement in its capacity as competent authority. The AFM approved the First Supplement on 13 September 2019.

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

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meanings when used in this First Supplement.

To the extent that there is any inconsistency between (i) any statement in this First Supplement and (ii) any statement in, or incorporated by reference in, the Base Prospectus, the statement referred to in (i) above will prevail.

This First Supplement is available via BNPP's websites: ([www.produitsdebourse.bnpparibas.fr/informations-financieres](http://www.produitsdebourse.bnpparibas.fr/informations-financieres); [www.bnpparibasmarkets.be/documentation-juridique](http://www.bnpparibasmarkets.be/documentation-juridique); [www.bnpparibasmarkets.nl/prospectus/](http://www.bnpparibasmarkets.nl/prospectus/); [www.educatedtrading.bnpparibas.se/swe/grundprospekt](http://www.educatedtrading.bnpparibas.se/swe/grundprospekt); [www.productoscotizados.com/page/14](http://www.productoscotizados.com/page/14)).

This First Supplement has been prepared in accordance with Article 16.1 of the Prospectus Directive, for the purposes of giving information which amends or is additional to the information already contained in the Base Prospectus.

This First Supplement has been prepared for the purposes of:

- A. incorporating by reference (i) BNPP's *Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposé auprès de l'AMF le 31 juillet 2019* (in English) (the "**BNPP Universal Registration Document as at 30 June 2019 (in English)**") and (ii) BNPP B.V.'s interim financial statements for the six-month period ended 30 June 2019 (the "**BNPP B.V. 2019 Interim Financial Statements**");
- B. amending the "Summary in relation to this Base Prospectus" section;
- C. amending the "Risks" section;
- D. amending the "Documents Incorporated by Reference" section;
- E. amending the "Description of BNPP B.V." section; and
- F. amending the "General Information" section.

The incorporation of the documents referred to in (A) above has been included to update BNPP and BNPP B.V. disclosures. The amendments referred to in (B), (D), (E) and (F) above have been made to reflect the updated disclosures in respect of BNPP and BNPP B.V. referred to in (A) above. The amendments referred to in (C) above have been made to update the risk factors relating to BNPP.

In accordance with Article 16.2 of the Prospectus Directive, in the case of an offer of Securities to the public, investors who, before this First Supplement is published, have already agreed to purchase or subscribe for Securities issued under the Programme by BNPP or BNPP B.V. have the right, exercisable before the end of the period of two (2) working days beginning with the working day after the date of publication of this First Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 17 September 2019.

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## AMENDMENTS TO THE SUMMARY IN RELATION TO THIS BASE PROSPECTUS

The section "SUMMARY IN RELATION TO THIS BASE PROSPECTUS" on pages 9 to 64 of the Base Prospectus is amended as follows:

- (a) In Element B.5, the paragraph under the heading "**In respect of BNPP:**" is deleted and replaced as follows:

"BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in France, Belgium, Italy and Luxembourg. It is present in 71 countries and has more than 201,000 employees, including over 153,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "**BNPP Group**"). BNPP B.V is a wholly owned subsidiary of BNPP."

- (b) Element B.12 is amended as follows:

- (i) the following new table in relation to BNPP B.V. is inserted immediately above the heading "**In relation to BNPP:**" and immediately below the table in relation to BNPP B.V. entitled "**Comparative Annual Financial Data– In EUR**":

B.12	Comparative Interim Financial Data for the six-month period ended 30 June 2019 – In millions of EUR		
		30/06/2019 (unaudited) <sup>1</sup>	30/06/2018 (unaudited) <sup>1</sup>
	Revenues	257,597	193,729
	Net income, Group Share	17,416	12,238
		30/06/2019 (unaudited) <sup>1</sup>	31/12/2018 (audited)
	Total balance sheet	67,132,835,358	56,232,644,939
	Shareholders' equity (Group Share)	560,070	542,654

- (ii) the table entitled "**Comparative Interim Financial Data for the three-month period ended 31 March 2019 – In millions of EUR**" under the heading "*In relation to BNPP:*" and immediately above the heading "*Statements of no significant or material adverse change*" is deleted and replaced with the following:

B.12	Comparative Interim Financial Data for the six-month period ended 30 June 2019 – In millions of EUR		
		1H19* (unaudited)	1H18 (unaudited)

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<sup>1</sup> This financial information is subject to a limited review, as further described in the statutory auditor's report.



	Revenues	22,368	22,004
	Cost of risk	(1,390)	(1,182)
	Net income, Group Share	4,386	3,960
		<b>30/06/2019*</b>	<b>31/12/2018</b>
	Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.9%	11.8%
		<b>30/06/2019*</b> <b>(unaudited)</b>	<b>31/12/2018</b> <b>(audited)</b>
	Total consolidated balance sheet	2,372,620	2,040,836
	Consolidated loans and receivables due from customers	793,960	765,871
	Consolidated items due to customers	833,265	796,548
	Shareholders' equity (Group Share)	104,135	101,467
	*The figures as at 30 June 2019 are based on the new IFRS 16 accounting standard. The impact as at 1 January 2019 of the first application of the new accounting standard IFRS 16 ("Leasing") was ~-10 bp on the Basel 3 common equity Tier 1 ratio.		

(c) In Element B.12, under the heading "*Statements of no significant or material adverse change*":

- (i) the first sentence of the paragraph under the heading "*In relation to BNPP B.V.*:" is deleted and replaced with the following:

"There has been no significant change in the financial or trading position of BNPP B.V. since 30 June 2019 (being the end of the last financial period for which interim financial statements have been published)."

- (ii) the first sentence of the paragraph under the heading "*In relation to BNPP:*:" is deleted and replaced with the following:

"There has been no significant change in the financial or trading position of the BNPP Group since 30 June 2019 (being the end of the last financial period for which interim financial statements have been published)."

(d) Element B.13 is deleted in its entirety and replaced with the following:

<b>B.13</b>	Events impacting the Issuer's solvency	Not applicable, to the best of the Issuers' knowledge, there have not been any recent events which are to a material extent relevant to the
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		<p>evaluation of the Issuer's solvency since 30 June 2019 (in the case of BNPP B.V.) and 30 June 2019 (in the case of BNPP).</p> <p><b>Issue Specific Summary</b></p> <p>[Not applicable, to the best of the Issuer's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since <i>[Insert in the case of BNPP B.V.: 30 June 2019]</i> / <i>[Insert in the case of BNPP: 30 June 2019]</i>].</p> <p><i>[specify any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency].</i></p>
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- (e) Element B.19/B.5 is deleted and replaced with the following:

<b>B.19/B.5</b>	Description of the Group	BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in France, Belgium, Italy and Luxembourg. It is present in 71 countries and has more than 201,000 employees, including over 153,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the " <b>BNPP Group</b> ").
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- (f) Element B.19/B.12 is amended by the deletion of the table entitled "**Comparative Interim Financial Data for the three-month period ended 31 March 2019 – In millions of EUR**" immediately above the heading "*Statements of no significant or material adverse change*" and its replacement with the following:

<b>B.19/B.12</b>	Selected historical key financial information in relation to the Guarantor:		
	<b>Comparative Interim Financial Data for the six-month period ended 30 June 2019 – In millions of EUR</b>		
		<b>1H19*</b> <b>(unaudited)</b>	<b>1H18</b> <b>(unaudited)</b>
	Revenues	22,368	22,004
	Cost of risk	(1,390)	(1,182)
	Net income, Group share	4,386	3,960
		<b>30/06/2019*</b>	<b>31/12/2018</b>
	Common equity Tier 1 Ratio (Basel 3 fully loaded, CRD 4)	11.9%	11.8%
		<b>30/06/2019*</b> <b>(unaudited)</b>	<b>31/12/2018</b> <b>(audited)</b>

	Total consolidated balance sheet	2,372,620	2,040,836
	Consolidated loans and receivables due from customers	793,960	765,871
	Consolidated items due to customers	833,265	796,548
	Shareholders' equity (Group share)	104,135	101,467
	* The figures as at 30 June 2019 are based on the new IFRS 16 accounting standard. The impact as at 1 January 2019 of the first application of the new accounting standard IFRS 16 (" <i>Leasing</i> ") was ~10 bp on the Basel 3 common equity Tier 1 ratio.		

- (g) In Element B.19/B.12, the first sentence under the heading "*Statements of no significant or material adverse change*" is deleted and replaced with the following:

"There has been no significant change in the financial or trading position of the BNPP Group since 30 June 2019 (being the end of the last financial period for which interim financial statements have been published)."

- (h) In Element B.19/B.12, the first sentence under the heading "*Issue Specific Summary*" is deleted and replaced with the following:

"There has been no significant change in the financial or trading position of the BNPP Group since [30 June 2019 (being the end of the last financial period for which interim financial statements have been published)]."

- (i) Element B.19/B.13 is deleted in its entirety and replaced with the following:

<b>B.19/B.13</b>	Events impacting the Guarantor's solvency	<p>Not applicable, to the best of the Guarantor's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since 30 June 2019.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[Not applicable, to the best of the Guarantor's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since [30 June 2019]].</p> <p>[specify any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency.]</p>
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## AMENDMENTS TO THE RISKS SECTION

*In relation to the amendments to the "Risks" section of the Base Prospectus set out in paragraphs (c), (d)(ii), (f)(i) and (f)(iv) of this section (i) text which, by virtue of this First Supplement is added thereto is shown underlined and (ii) text which, by virtue of this First Supplement is deleted therefrom is shown with a line drawn through the middle of the deleted text.*

The "**RISKS**" section on pages 65 to 115 of the Base Prospectus is amended as follows:

- (a) The paragraph entitled "**Risks Relating to BNPP and its Industry**" is deleted in its entirety and replaced with the following:

**"Risks Relating to BNPP and its Industry**

For a comprehensive description of the risks relating to the BNP Paribas Group, see "Risk Factors" under Chapter 5 on pages 287 to 295 of the BNPP 2018 Registration Document (in English), page 77 of the First Update to the BNPP 2018 Registration Document (in English) and pages 74 and 202 to 210 of the BNPP Universal Registration Document as at 30 June 2019 (in English) (each as defined below), each of which is incorporated by reference in this Base Prospectus and discloses all material risks relating to BNPP's ability to fulfil its obligations under the Securities."

- (b) the two paragraphs immediately below the bullet pointed list under the heading "*Adverse economic and financial conditions have in the past had and may in the future have an impact on BNPP and the markets in which it operates.*" on page 66 of the Base Prospectus are amended as follows:

"European markets may be affected by a number of factors in 2019 and into 2020, including continuing uncertainty resulting from the decision of the United Kingdom to leave the European Union, evolving monetary policy in Europe and the United States and uncertain political and economic conditions in certain large European countries. Markets in the United States may be affected by factors, such as trade policy or a tendency towards political stalemate, which has affected credit and currency markets globally. Asian markets could be impacted by factors such as slower than expected economic growth rates in certain countries in the region.

Share prices have recently experienced significant volatility, which may occur again. Credit markets and the value of fixed income assets could be adversely affected if interest rates were to rise as central banks continue to scale back the extraordinary support measures put in place in response to recent adverse economic conditions. Conversely, a continued or renewed loosening of monetary policy would weigh on banks' profitability. The price of oil has been particularly volatile in recent months, and could be impacted by unpredictable geopolitical factors in regions such as the Middle East and Russia.";

- (c) the risk factor entitled "*The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.*" on page 67 of the Base Prospectus is amended as follows:

- (i) the first paragraph is deleted and replaced with the following:

"Since the 2008-2009 financial crisis, global markets have been characterized by an extended period of low interest rates. If the low interest rate environment continues, as a result of continued monetary loosening, low growth or other factors, BNPP's profitability may be affected. In this respect, after announcing in December 2018 the end of its quantitative easing policy, the ECB announced in March 2019 – in the face of slower than anticipated growth – a status quo on its benchmark lending rates

until at least the end of 2019 (extended in June 2019 to at least the first half of 2020) as well as new targeted longer-term financing operations ("TLTRO") bearing, under certain conditions, negative rates. During periods of low interest rates, interest rate spreads tend to tighten, and BNPP may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. In addition, BNPP has been facing and may continue to face an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, has resulted and may continue to result in a decrease in the average interest rate of BNPP's portfolio of loans thereby causing a decline in BNPP's net interest income from its lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by BNPP from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Low interest rates may also negatively affect the profitability of BNPP's insurance activities, which may not be able to generate sufficient returns to be competitive with other investment products. Low interest rates may also adversely affect commissions charged by BNPP's asset management subsidiaries on money market and other fixed income products. A reduction in credit spreads and decline in retail banking income resulting from lower portfolio interest rates may adversely affect the profitability of BNPP's retail banking operations."; and

- (ii) the second sentence of the second paragraph is amended as follows:

"In this respect, the U.S. Federal Reserve ~~is currently tightening~~tightened its monetary policy ~~and the ECB announced the end of its quantitative easing policy in December 2018, which could result in an increase in interest rates in the future~~in 2017 and 2018.";

- (d) the risk factor entitled "*Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact BNPP and the financial and economic environment in which it operates.*" on page 70 of the Base Prospectus is amended as follows:

- (i) the first paragraph under the heading is amended as follows:

"Laws and regulations have been enacted in the past few years ~~or could be adopted~~, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the measures has changed substantially the environment in which BNPP and other financial institutions operate. The measures that have been ~~or may be proposed and~~ adopted include:";

- (ii) the "and" at the end of the penultimate bullet point in the bullet pointed list is deleted;

- (iii) the following bullet point is added immediately before the last bullet point:

"• enhanced disclosure requirements, for instance in the area of sustainable finance; and"; and

- (iv) the last paragraph is amended as follows:

"These measures could be further amended, expanded or strengthened. Moreover, additional measures could be adopted in other areas. It is impossible to predict what additional measures will be adopted and, given the complexity and continuing uncertainty of a certain number of these measures, to determine their impact on BNPP. The cumulative effect of these measures, whether already adopted or that may be adopted in the ~~process of being adopted~~future, has been and could continue to be a decrease in BNPP's ability to allocate its capital and capital resources to financing, limit its ability to diversify risks, reduce the availability of certain financing and liquidity resources, increase the cost of

financing, increase the cost or reduce the demand for the products and services offered by BNPP, require BNPP to proceed with internal reorganizations, structural changes or reallocations, affect the ability of BNPP to carry on certain activities or to attract and/or retain talent and, more generally, affect its competitiveness and profitability, which could have an impact on its profitability, financial condition and operating results."; and

- (e) the risk factor entitled "*BNPP could become subject to a resolution proceeding.*" on page 71 of the Base Prospectus is amended as follows:
  - (i) the words "senior non preferred debt" in the second paragraph are deleted and replaced with the words "non preferred senior debt"; and
  - (ii) the words "*(administrateur special)*" in the third paragraph are deleted and replaced with the words "*(administrateur spécial)*".

## AMENDMENTS TO DOCUMENTS INCORPORATED BY REFERENCE

The section "**DOCUMENTS INCORPORATED BY REFERENCE**" on pages 123 to 129 in the Base Prospectus is amended as follows:

- (a) the word "and" at the end of paragraph (d) is deleted;
- (b) the "." at the end of paragraph (e) is deleted and replaced with ";";
- (c) the following new paragraphs (f) and (g) are added under paragraph (e):
  - "(f) BNPP's *Document d'enregistrement universel au 30 juin 2019 et rapport financier semestriel déposé auprès de l'AMF le 31 juillet 2019* (in English) (other than the sections entitled "Persons Responsible for the Update of the Registration Document" and "Tables of Concordance") with filing number D.19-0731 (the "**BNPP Universal Registration Document as at 30 June 2019 (in English)**")"; and";
  - "(g) the unaudited interim financial statements for the six-month period ended 30 June 2019 of BNPP B.V. (including the review report thereon by Mazars Accountants N.V. (formerly Mazars Paardekooper Hoffman Accountants N.V.) represented by C.A. Harteveld) (the "**BNPP B.V. 2019 Interim Financial Statements**").";
- (d) The table entitled "**BNP PARIBAS - Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004**" is deleted in its entirety and replaced with the following:

<b>BNP PARIBAS</b>	
<i>Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004</i>	
<b>3. Risk Factors</b>	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	<p>Pages 277 to 464 of the BNPP 2018 Registration Document (in English)</p> <p>Pages 73 and 77 of the First Update to the BNPP 2018 Registration Document (in English)</p> <p>Pages 74 and 200 to 240 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
<b>4. Information about the Issuer</b>	
4.1. History and development of the Issuer:	<p>Page 5 of the BNPP 2018 Registration Document (in English)</p> <p>Page 3 of the First Update to the BNPP 2018 Registration Document (in English)</p> <p>Page 3 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
4.1.1. The legal and commercial name of the Issuer;	Page 585 of the BNPP 2018 Registration Document (in English)
4.1.2. The place of registration of the Issuer and its registration	Pages 585 and 606 (back cover) of the BNPP

number;	2018 Registration Document (in English)
4.1.3. The date of incorporation and the length of life of the Issuer, except where indefinite;	Page 585 of the BNPP 2018 Registration Document (in English)
4.1.4. - the domicile and legal form of the Issuer, - the legislation under which the Issuer 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).	Pages 585 and 606 (back cover) of the BNPP 2018 Registration Document (in English)
4.1.5. Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Pages 280, 316 to 317 and 577 of the BNPP 2018 Registration Document (in English) Pages 54, 74, 200 and 242 of the BNPP Universal Registration Document as at 30 June 2019 (in English)
<b>5. Business Overview</b>	
5.1.1. A brief description of - the Issuer's principal activities stating, - the main categories of products sold and/or services performed.	Pages 6 to 15, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English) Page 3 of the BNPP Universal Registration Document as at 30 June 2019 (in English)
5.1.2. An indication of any significant new products and/or activities.	Pages 6 to 15, 135, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.3. A brief description of the principal markets in which the Issuer competes.	Pages 6 to 15, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.4. The basis for any statements in the registration document made by the Issuer regarding its competitive position.	Pages 6 to 15 and 114 to 127 of the BNPP 2018 Registration Document (in English)
<b>6. Organisational Structure</b>	
6.1. If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	Page 4; 6 of the BNPP 2018 Registration Document (in English) Page 3 of the First Update to the BNPP 2018 Registration Document (in English) Page 3 of the BNPP Universal Registration Document as at 30 June 2019 (in English)
6.2. If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Pages 261 to 268, 496 to 501, 576, and 578 to 584 of the BNPP 2018 Registration Document (in English) Pages 173 to 197 of the BNPP Universal Registration Document as at 30 June 2019 (in English)
<b>7. Trend Information</b>	



7.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	Pages 136 to 138 and 286 of the BNPP 2018 Registration Document (in English) Page 242 of the BNPP Universal Registration Document as at 30 June 2019 (in English)
<b>8. Profit Forecasts or Estimates</b>	
8.1. A statement setting out the principal assumptions upon which the Issuer has based its forecast, or estimate.  There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily understandable by investors; be specific and precise; and not relate to the general accuracy of the estimates underlying the forecast.	NA
8.2. A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.	NA
Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to be published in the next annual audited financial statements for the previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:	
(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;	
(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;	
(c) this financial information has not been audited.	
8.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.	NA
<b>9. Administrative, Management, and Supervisory Bodies</b>	
9.1. Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:  (a) members of the administrative, management or supervisory bodies;  (b) partners with unlimited liability, in the case of a limited partnership with a share capital.	Pages 31 to 45 and 98 of the BNPP 2018 Registration Document (in English)

<p>9.2. Administrative, Management, and Supervisory bodies conflicts of interests.</p> <p>Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated.</p> <p>In the event that there are no such conflicts, make a statement to that effect.</p>	<p>Pages 49 to 50, 63 to 64 and 74 to 94 of the BNPP 2018 Registration Document (in English)</p>
<b>10. Major Shareholders</b>	
<p>10.1. To the extent known to the Issuer, state whether the Issuer 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.</p>	<p>Pages 16 and 17 of the BNPP 2018 Registration Document (in English)</p> <p>Page 241 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
<p>10.2. A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.</p>	<p>Page 17 of the BNPP 2018 Registration Document (in English)</p>
<b>11. Financial Information concerning the Issuer's assets and liabilities, financial position and profits and losses</b>	
<p>11.1. Historical Financial Information</p> <p>Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year.</p>	<p>Pages 4, 20, 109 to 136, 137 to 242, 440 to 482 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 4,20,113 to 269, 466 to 502, of the BNPP 2018 Registration Document (in English)</p>
<p>11.2. Financial statements</p> <p>If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	<p>Pages 137 to 236, 439 to 476 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 149 to 269, 465 to 502 of the BNPP 2018 Registration Document (in English)</p> <p>Pages 75 to 196 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
11.3. Auditing of historical annual financial information	
<p>11.3.1. A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.</p>	<p>Pages 237 to 242, 477 to 482 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 270 to 276, 503 to 508 of the BNPP 2018 Registration Document (in English)</p>
<p>11.3.2. An indication of other information in the registration document which has been audited by the auditors.</p>	<p>Pages 94, 564 to 565 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 98, 590 to 591 of the BNPP 2018 Registration Document (in English)</p>
11.4. Age of latest financial information	
<p>11.4.1. The last year of audited financial information may not be older than 18 months from the date of the registration document.</p>	<p>Pages 140 and 440 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 152 and 466 of the BNPP 2018</p>

	Registration Document (in English)
11.5. Interim and other financial information	
11.5.1. If the issuer has published quarterly or half yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half yearly financial information has been reviewed or audited the audit or review report must also be included. If the quarterly or half yearly financial information is unaudited or has not been reviewed state that fact.	<p>Pages 4 to 69 and page 72 of the First Update to the BNPP 2018 Registration Document (in English)</p> <p>Pages 4 to 71 and 75 to 197 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
11.6. Legal and arbitration proceedings	<p>Pages 248 and 249 of the BNPP 2018 Registration Document (in English)</p> <p>Pages 97 to 98 of the First Update to the BNPP 2018 Registration Document (in English)</p> <p>Pages 165 to 166 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>

- (e) The table entitled "**BNP PARIBAS ISSUANCE B.V.** - Extract of Annex IV of the European Regulation 809/2004/EC" is deleted in its entirety and replaced with the following;

<b>BNP PARIBAS ISSUANCE B.V.</b>		
	Extract of the Annex IV of the European Regulation 809/2004/EC	
13.	Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	
13.1	Historical Financial Information	<p>Pages 5-18 of the 2017 BNPP B.V. Annual Report</p> <p>Pages 5-18 of the 2018 BNPP B.V. Annual Report</p>
13.3	Auditing of historical annual financial information	
13.3.1	A statement that the historical financial information has been audited.	<p>Pages 20-23 of the 2017 BNPP B.V. Annual Report</p> <p>Pages 20-24 of the 2018 BNPP B.V. Annual Report</p>
13.3.2	An indication of other information in the registration document which has been audited by the auditors.	N/A
13.3.3	Where financial data in the registration document is not extracted from the issuer's audited financial statements state the source of the data and state that the data is unaudited.	N/A
13.4	Age of latest financial information	

13.4.1	The last year of audited financial information may not be older than 18 months from the date of the registration document.	Pages 5-18 of the 2018 BNPP B.V. Annual Report
13.5	Interim and other financial information	
13.5.1	If the issuer has published quarterly or half yearly financial information since the date of its last audited financial statements, these must be included in the registration document.	Pages 3-19 of the BNPP B.V. 2019 Interim Financial Statements
13.5.2	If the registration document is dated more than nine months after the end of the last audited financial year, it must contain interim financial information, covering at least the first six months of the financial year. If the interim financial information is un-audited state that fact.	N/A

- (f) The first sentence of the paragraph below the table entitled "**BNP PARIBAS ISSUANCE B.V.** - *Extracts of Annex IV of the European Regulation 809/2004/EC of 29 April 2004*" is deleted in its entirety and replaced with the following;

"Each of the documents incorporated by reference in (b) to (g) above will only be made available by the relevant Issuer or the Guarantor (if applicable) to which such document relates."

## AMENDMENTS TO THE DESCRIPTION OF BNPP B.V.

The section "**DESCRIPTION OF BNPP B.V.**" on pages 535 to 538 of the Base Prospectus is amended as follows:

- The information under the heading "**11. Historical Financial Information Concerning BNPP B.V.'s Assets and Liabilities, Financial Position and Profits and Losses**" is deleted and replaced with the following:

### *Selected interim financial information*

#### **BALANCE SHEET in summary**

**(before appropriation of the net result)**

	<b>30.06.2019</b> <b>(unaudited)</b>	<b>31.12.2018</b> <b>(audited)</b>
	EUR	EUR
<b>Financial fixed assets</b>	54,264,776,719	43,012,673,630
<b>Current assets</b>	12,868,058,639	13,219,971,309
<b>TOTAL ASSETS</b>	<b>67,132,835,358</b>	<b>56,232,644,939</b>

<b>Shareholder's equity</b>	560,070	542,654
<b>Long term liabilities</b>	54,264,776,719	43,012,673,629
<b>Current liabilities</b>	12,867,498,568	13,219,428,656
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>67,132,835,358</b>	<b>56,232,644,939</b>

#### **PROFIT AND LOSS ACCOUNT in summary**

	<b>01.01.2019 to</b> <b>30.06.2019</b> <b>(unaudited)</b>	<b>01.01.2018 to</b> <b>30.06.2018</b> <b>(unaudited)</b>
	EUR	EUR
Income including interest received	257,597	193,729
Costs, including interest paid and the tax charge	(240,181)	(181,491)
<b>Profit after taxation</b>	<b>17,416</b>	<b>12,238</b>

#### **CASH FLOW STATEMENT in summary**

	<b>01.01.2019 to 30.06.2019 (unaudited)</b>	<b>01.01.2018 to 30.06.2018 (unaudited)</b>
	EUR	EUR
Cash flow from operating activities	349,674	(141,284)
Cash flow from financing activities	0	0
<b>Increase/(Decrease) cash at banks</b>	<b>349,674</b>	<b>(141,284)</b>
<b>Cash at banks at 30 June</b>	<b>414,949</b>	<b>77,349</b>

## AMENDMENTS TO THE GENERAL INFORMATION

The section "**GENERAL INFORMATION**" on pages 582 to 588 of the Base Prospectus is amended as follows:

- (a) the paragraphs under the heading "**4. Documents Available**" are amended as follows:
  - (i) the word "and" at the end of sub-paragraph (x) is deleted;
  - (ii) the following new sub-paragraphs (xii) and (xiii) are added under sub-paragraph (xi):

"(xii) the BNPP Universal Registration Document as at 30 June 2019 (in English); and" and

"(xiii) the BNPP B.V. 2019 Interim Financial Statements."
  - (iii) the first paragraph beneath the numbered list is deleted and replaced with the following:

"In the case of (i), (ii), (vi), (viii), (ix), (x) and (xii), the documents are also available via BNPP's website: [www.invest.bnppparibas.com](http://www.invest.bnppparibas.com). In addition, copies of this Base Prospectus and any documents incorporated by reference in this Base Prospectus are available via BNPP's websites ([www.produitsdebourse.bnppparibas.fr](http://www.produitsdebourse.bnppparibas.fr); [www.bnppparibasmarkets.be](http://www.bnppparibasmarkets.be) or [www.bnppparibasmarkets.nl](http://www.bnppparibasmarkets.nl); [www.educatedtrading.bnppparibas.se](http://www.educatedtrading.bnppparibas.se) ; <https://www.productoscotizados.com/home/>). In addition, the constitutional documents of BNPP B.V., the Guarantee and the documents listed at (iii), (v), (vi), (ix), (xi) and (xiii) above are available at the registered office of BNPP B.V."
- (b) the first paragraph under the heading "**6. Legal and Arbitration Proceedings**" is deleted in its entirety and replaced with the following:

"Save as disclosed on pages 248 and 249 of the BNPP 2018 Registration Document (in English), pages 97 to 99 of the First Update to the BNPP 2018 Registration Document (in English), and pages 165 to 166 of the BNPP Universal Registration Document as at 30 June 2019 (in English), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the period covering at least the twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.";
- (c) the paragraph under the heading "**7. Significant Change**" is deleted and replaced with the following:

"There has been no significant change in the financial or trading position of BNPP or the BNPP Group since 30 June 2019 (being the end of the last financial period for which interim financial statements have been published). There has been no significant change in the financial or trading position of BNPP B.V. since 30 June 2019 (being the end of the last financial period for which audited financial statements have been published).";
- (d) the table under the heading "**16. Capitalization of BNPP and the BNP Paribas Group**" is deleted and replaced with the following:

The following table<sup>(1)</sup> sets out the consolidated capitalization and medium to long term indebtedness (of which the unexpired term to maturity is more than one year) of the Group as of 30 June 2019 using the Group's accounting method and as of 31 December 2018 using the Group's prudential scope of consolidation.

For the avoidance of doubt, the figures in the table below are derived from the Group's unaudited consolidated financial statements as of and for the six months ended 30 June 2019 and the Group's audited

consolidated financial statements as of and for the year ended 31 December 2018 (which do not include prudential deductions) and are used for the purposes of the Group's prudential capital calculations.

<b>BNP Paribas consolidated capitalization and medium and long term debt indebtedness over one year</b>		
<b>In Millions of Euros</b>	<b>30 June 2019</b>	<b>31 December 2018</b>
Senior preferred debt at fair value through profit or loss	42,576	37,516
Senior preferred debt at amortised cost	43,956	48,223
<b>Total Senior Preferred Debt</b>	<b>86,531</b>	<b>85,739</b>
Senior non preferred debt at amortised cost	34,497	23,549
<b>Total Senior Non Preferred Debt</b>	<b>34,497</b>	<b>23,549</b>
Redeemable subordinated debt at amortised cost	15,491	14,929
Undated subordinated notes at amortised cost	518	516
Undated participating subordinated notes at amortised cost	225	225
Redeemable subordinated debt at fair value through profit or loss	54	118
Perpetual subordinated debt at fair value through profit or loss <sup>(2)</sup>	669	669
Preferred shares and equivalent instruments	9,548	8,240
<b>Total Subordinated Debt</b>	<b>26,504</b>	<b>24,697</b>
Issued Capital	2,500	2,500
Additional paid-in capital	24,555	24,537
Retained earnings	61,355	61,928
Unrealized or deferred gains and losses attributable to shareholders	1,510	503
<b>Total Shareholders' Equity and Equivalents (net of proposed dividends)</b>	<b>89,920</b>	<b>89,468</b>
<b>Minority Interests (net of proposed dividends)</b>	<b>4,230</b>	<b>4,049</b>
<b>Total Capitalization and Medium Long Term Debt Indebtedness</b>	<b>241,683</b>	<b>227,502</b>
<sup>(1)</sup> The table of capitalization has been presented using the prudential scope of consolidation from 30 September 2018 (the Group had previously presented is consolidated capitalization and medium-to-long term indebtedness using the accounting scope of consolidation). As stated in Pillar 3 of the BNPP 2018 Registration Document (in English), the material differences between the prudential scope of consolidation and the accounting scope of consolidation are as follows: <ul style="list-style-type: none"> <li>- insurance companies (primarily BNP Paribas Cardif and its subsidiaries) that are fully consolidated within the accounting scope are accounted for under the equity method in the prudential scope of consolidation;</li> <li>- jointly controlled entities (mainly UCI Group entities and Bpost banque) are accounted for under the equity method in the accounting scope of consolidation and under the proportional consolidation method in the prudential scope of consolidation.</li> </ul>		
<sup>(2)</sup> As of 30 June 2019, EUR 205 million of subordinated debt is eligible as prudential own funds. EUR 205 million of subordinated debt was eligible as of 30 December 2018.		



- (e) the paragraph under the heading "**18. Events impacting the solvency of BNPP**" on page 588 of the Base Prospectus is amended by the deletion of the words "31 December 2018" and their replacement with the words "30 June 2019".

## **RESPONSIBILITY STATEMENT**

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

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

**Second Supplement dated 20 December 2019**

**to the Warrant and Certificate Programme Base Prospectus dated 3 July 2019**



**BNP PARIBAS**

**BNP Paribas Issuance B.V.**

*(incorporated in The Netherlands)*

*(as Issuer)*

**BNP Paribas**

*(incorporated in France)*

*(as Issuer and Guarantor)*

**Warrant and Certificate Programme**

This second supplement (the "**Second Supplement**") is supplemental to, and should be read in conjunction with the base prospectus dated 3 July 2019 (the "**Base Prospectus**") and the first supplement to the Base Prospectus dated 13 September 2019 (the "**First Supplement**") in relation to the Warrant and Certificate Programme (the "**Programme**") of BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNP Paribas ("**BNPP**").

The Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of 4 November 2003 (as amended or superseded) (the "**Prospectus Directive**") to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area. The Authority for the Financial Markets ("**AFM**") in the Netherlands approved the Base Prospectus on 3 July 2019 and the First Supplement on 13 September 2019. Application has been made to the AFM for approval of this Second Supplement in its capacity as competent authority. The AFM approved the Second Supplement on 20 December 2019.

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

Unless the context otherwise requires, terms defined in the Base Prospectus, as amended by the First Supplement, shall have the same meanings when used in this Second Supplement.

To the extent that there is any inconsistency between (i) any statement in this Second Supplement and (ii) any statement in, or incorporated by reference in, the Base Prospectus, as amended by the First Supplement, the statement referred to in (i) above will prevail.

This Second Supplement is available via BNPP's websites: ([www.produitsdebourse.bnpparibas.fr/informations-financieres](http://www.produitsdebourse.bnpparibas.fr/informations-financieres); [www.bnpparibasmarkets.be/documentation-juridique](http://www.bnpparibasmarkets.be/documentation-juridique); [www.bnpparibasmarkets.nl/prospectus/](http://www.bnpparibasmarkets.nl/prospectus/); [www.educatedtrading.bnpparibas.se/swe/grundprospekt](http://www.educatedtrading.bnpparibas.se/swe/grundprospekt); [www.productoscotizados.com/page/14](http://www.productoscotizados.com/page/14)).

This Second Supplement has been prepared in accordance with Article 16.1 of the Prospectus Directive, for the purposes of giving information which amends or is additional to the information already contained in the Base Prospectus, as amended by the First Supplement.

This Second Supplement has been prepared for the purposes of:

- A. incorporating by reference the BNPP's *Amendement au Document d'Enregistrement Universel au 30 juin 2019 déposé auprès de l'AMF le 31 octobre 2019* (in English) (the "**First Amendment to the BNPP 2019 Universal Registration Document (in English)**");
- B. amending the "Summary in relation to this Base Prospectus" section;
- C. amending the "Risks" section;
- D. amending the "Documents Incorporated by Reference" section; and
- E. amending the "General Information" section.

The incorporation of the documents referred to in (A) above has been included to update BNPP disclosures. The amendments referred to in (B), (D) and (E) above have been made to reflect the updated disclosures in respect of BNPP referred to in (A) above. The amendments referred to in (C) above have been made to update the risk factors relating to BNPP.

In accordance with Article 16.2 of the Prospectus Directive, in the case of an offer of Securities to the public, investors who, before this Second Supplement is published, have already agreed to purchase or subscribe for Securities issued under the Programme by BNPP or BNPP B.V. have the right, exercisable before the end of the period of two (2) working days beginning with the working day after the date of publication of this Second Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 24 December 2019.

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## AMENDMENTS TO THE SUMMARY IN RELATION TO THIS BASE PROSPECTUS

The section "SUMMARY IN RELATION TO THIS BASE PROSPECTUS" on pages 9 to 64 of the Base Prospectus is amended as follows:

- (a) In Element B.12, the following table is inserted immediately above the heading "*Statements of no significant or material adverse change*" and immediately below the table in relation to BNPP entitled "**Comparative Interim Financial Data for the six-month period ended 30 June 2019 – In millions of EUR:**

B.12	Selected historical key financial information in relation to the Guarantor:		
	<b>Comparative Interim Financial Data for the nine-month period ended 30 September 2019 – In millions of EUR</b>		
		<b>9M19*</b> <b>(unaudited)</b>	<b>9M18</b> <b>(unaudited)</b>
	Revenues	33,264	32,356
	Cost of risk	(2,237)	(1,868)
	Net income, Group share	6,324	6,084
		<b>30/09/2019*</b>	<b>31/12/2018</b>
	Common equity Tier 1 Ratio (Basel 3 fully loaded, CRD 4)	12.0%	11.8%
		<b>30/09/2019*</b> <b>(unaudited)</b>	<b>31/12/2018</b> <b>(audited)</b>
	Total consolidated balance sheet	2,510,204	2,040,836
	Consolidated loans and receivables due from customers	797,357	765,871
	Consolidated items due to customers	850,458	796,548
	Shareholders' equity (Group share)	107,157	101,467
	* The figures as at 30 September 2019 are based on the new IFRS 16 accounting standard. The impact as at 1 January 2019 of the first application of the new accounting standard IFRS 16 (" <i>Leasing</i> ") was ~10 bp on the Basel 3 common equity Tier 1 ratio.		

- (b) Element B.13 is deleted in its entirety and replaced with the following:

<b>B.13</b>	Events impacting the Issuer's solvency	<p>Not applicable, to the best of the Issuers' knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 30 June 2019 (in the case of BNPP B.V.) and 30 September 2019 (in the case of BNPP).</p> <p><b>Issue Specific Summary</b></p> <p>[Not applicable, to the best of the Issuer's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since [Insert in the case of BNPP B.V.: 30 June 2019] / [Insert in the case of BNPP: 30 September 2019]].</p> <p>[specify any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency].</p>
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- (c) In Element B.19/B.12, the following table is inserted immediately above the heading "**Statements of no significant or material adverse change**" and immediately below the table in relation to BNPP entitled "**Comparative Interim Financial Data for the six-month period ended 30 June 2019 – In millions of EUR**":

B.19/B.12	Selected historical key financial information in relation to the Guarantor:		
	Comparative Interim Financial Data for the nine-month period ended 30 September 2019 – In millions of EUR		
		9M19* (unaudited)	9M18 (unaudited)
	Revenues	33,264	32,356
	Cost of risk	(2,237)	(1,868)
	Net income, Group share	6,324	6,084
		30/09/2019*	31/12/2018
	Common equity Tier 1 Ratio (Basel 3 fully loaded, CRD 4)	12.0%	11.8%
		30/09/2019* (unaudited)	31/12/2018 (audited)
	Total consolidated balance sheet	2,510,204	2,040,836
	Consolidated loans and receivables due from customers	797,357	765,871
	Consolidated items due to customers	850,458	796,548

	Shareholders' equity (Group share)	107,157	101,467
	* The figures as at 30 September 2019 are based on the new IFRS 16 accounting standard. The impact as at 1 January 2019 of the first application of the new accounting standard IFRS 16 (" <i>Leasing</i> ") was ~10 bp on the Basel 3 common equity Tier 1 ratio.		

(d) Element B.19/B.13 is deleted in its entirety and replaced with the following:

<b>B.19/B.13</b>	Events impacting the Guarantor's solvency	<p>Not applicable, to the best of the Guarantor's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since 30 September 2019.</p> <p><b><i>Issue Specific Summary</i></b></p> <p>[Not applicable, to the best of the Guarantor's knowledge there have not been any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency since [30 September 2019]].</p> <p>[specify any recent events which are to a material extent relevant to the evaluation of the Guarantor's solvency.]</p>
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(e) In Element D.2, the paragraphs from and including the second paragraph under the sub-heading "***In respect of BNPP:***", under the heading "***In relation to the Issuer / Guarantor***", to and including the paragraph immediately above the heading "***Issue Specific Summary.***" are deleted and replaced with the following:

<b>D.2</b>	Key risks regarding the Issuer [and the Guarantor]	<p><b><i>In relation to the Issuer / Guarantor</i></b></p> <p><b><i>In respect of BNPP:</i></b></p> <p>BNPP's 2018 registration document (in English) sets out seven main categories of risk inherent in its activities:</p> <p>(1) <i>Credit risk</i> – Credit risk is the consequence resulting from the likelihood that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 504 billion at 31 December 2018.</p> <p>(2) <i>Securitisation in the Banking Portfolio</i> – Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranching, having the following characteristics:</p> <ul style="list-style-type: none"> <li>○ payments made in the transaction or scheme are dependent</li> </ul>
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		<p>upon the performance of the exposure or pool of exposures;</p> <ul style="list-style-type: none"> <li>○ the subordination of tranches determines the distribution of losses during the life of the risk transfer.</li> </ul> <p>Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking portfolio. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 7 billion at 31 December 2018.</p> <p>(3) <i>Counterparty credit risk</i> – Counterparty credit risk is the translation of the credit risk embedded in financial transactions, investments and/or settlement transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter ("<b>OTC</b>") derivatives contracts as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions.</p> <p>Counterparty risk lies in the event that a counterparty defaults on its obligations to pay BNPP the full present value of the flows relating to a transaction or a portfolio for which BNPP is a net receiver. Counterparty credit risk is also linked to the replacement cost of a derivative or portfolio in the event of counterparty default. Hence, it can be seen as a market risk in case of default or a contingent risk. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 27 billion at 31 December 2018.</p> <p>(4) <i>Market risk</i> – Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.</p> <p>Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.</p> <p>Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.</p> <p>In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent</p>
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		<p>market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.</p> <p>Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.</p> <p>The market risk related to banking activities encompasses the interest rate and foreign exchange risks stemming from banking intermediation activities. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 20 billion at 31 December 2018.</p> <p>(5) <i>Liquidity Risk</i> – Liquidity risk is the risk that BNPP will not be able to honour its commitments or unwind or settle a position due to the market environment or idiosyncratic factors (i.e. specific to BNP Paribas), within a given timeframe and at a reasonable cost.</p> <p>Liquidity risk reflects the risk of the BNPP Group being unable to fulfil current or future foreseen or unforeseen cash or collateral requirements, across all time horizons, from the short to the long term.</p> <p>This risk may stem from the reduction in funding sources, draw down of funding commitments, a reduction in the liquidity of certain assets, or an increase in cash or collateral margin calls. It may be related to the bank itself (reputation risk) or to external factors (risks in some markets).</p> <p>(6) <i>Operational risk</i> – Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain. BNPP's risk-weighted assets subject to this type of risk amounted to EUR 73 billion at 31 December 2018.</p> <p>(7) <i>Insurance Risks</i> – BNP Paribas Cardif is exposed to the following risks:</p> <ul style="list-style-type: none"> <li>○ market risk, risk of a financial loss arising from adverse movements of financial markets. These adverse movements are notably reflected in prices (including, but not limited to, foreign exchange rates, bond prices, equity</li> </ul>
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		<p>and commodity prices, derivatives prices, real estate prices) and derived from fluctuations in interest rates, credit spreads, volatility and correlation;</p> <ul style="list-style-type: none"> <li>○ credit risk, risk of loss resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which insurance and reinsurance undertakings are exposed. Among the debtors, risks related to financial instruments (including the banks in which BNP Paribas Cardif holds deposits) and risks related to receivables generated by the underwriting activities (including, but not limited to, premium collection, reinsurance recovering) are distinguished into two categories: "Asset Credit Risk" and "Liabilities Credit Risk";</li> <li>○ underwriting risk is the risk of a financial loss caused by a sudden, unexpected increase in insurance claims. Depending on the type of insurance business (life, non-life), this risk may be statistical, macroeconomic or behavioural, or may be related to public health issues or disasters; and</li> <li>○ operational risk is the risk of loss resulting from the inadequacy or failure of internal processes, IT failures or deliberate external events, whether accidental or natural. The external events mentioned in this definition include those of human or natural origin.</li> </ul>
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## AMENDMENTS TO THE RISKS SECTION

The "**RISKS**" section on pages 65 to 115 of the Base Prospectus is amended as follows:

- (a) the paragraph entitled "**Risks Relating to BNPP and its Industry**" (which was amended by virtue of the First Supplement) is deleted in its entirety and replaced with the following:

### **"Risks Relating to BNPP and its Industry**

For a comprehensive description of the risks relating to the BNP Paribas Group, see "Risk Factors" under Chapter 5 on pages 277 to 464 of the BNPP 2018 Registration Document (in English), pages 73 and 77 of the First Update to the BNPP 2018 Registration Document (in English), pages 74 and 202 to 210 of the BNPP Universal Registration Document as at 30 June 2019 (in English) and pages 79 and 85 to 103 of the First Amendment to the BNPP 2019 Universal Registration Document (in English) (each as defined below), each of which is incorporated by reference in this Base Prospectus and discloses all material risks relating to BNPP's ability to fulfil its obligations under the Securities."

- (b) the following paragraphs are inserted immediately below the heading "**Risk Factors**":

"The main categories of risk inherent in BNPP's business as further described in the First Amendment to the BNPP 2019 Universal Registration Document (in English) are presented below. They may be measured through risk-weighted assets or other quantitative or qualitative indicia, to the extent risk-weighted assets are not relevant (for example, for liquidity and funding risk).

<i>Risk-weighted assets in billions of euros</i>	<b>31.12.2018</b>	<b>31.12.2017</b>
Credit risk	504	513
Counterparty risk	27	27
Securitization risk in the banking book	7	3
Operational risk	73	66
Market risk	20	17
Other risks*	17	16
<b>Total risk-weighted assets under Basel 3</b>	<b>647</b>	<b>642</b>

\* Risks related to deferred taxes and certain investments in credit or financial institutions.

More generally, the risks to which BNPP is exposed may arise from a number of factors related, among others, to changes in its macroeconomic or regulatory environment or factors related to the implementation of its strategy and its business.

The risks specific to BNPP's business are presented below under 7 main categories: credit risk, counterparty risk and securitization risk in the banking portfolio; operational risk; market risk; liquidity and funding risk; risks related to the macroeconomic and market environment; regulatory risks; and risks related to BNPP's growth in its current environment.

BNPP's risk management policies have been taken into account in assessing the materiality of these risks; in particular, risk-weighted assets factor in risk mitigation elements to the extent eligible in accordance with applicable banking regulations."; and

- (c) the paragraphs under the headings "**Risks Related To The Macroeconomic Environment**", "**Risks Related to the Market Environment**", "**Regulatory Risks**", "**Risks Related to the Implementation of BNPP's Strategy**", "**Risks Related to the Management of BNPP's Business**" and "**Risks Related to BNPP's Operations**" on pages 65 to 77 of the Base Prospectus are deleted and replaced with the following:

**"1. Credit risk, counterparty risk and securitization risk in the banking portfolio**

BNPP's **credit risk** is defined as the probability of a borrower or counterparty defaulting on its obligations to BNPP. Probability of default along with the recovery rate of the loan or debt in the event of default are essential elements in assessing credit quality. In accordance with European Banking Authority recommendations, this category of risk also includes risks on equity investments, as well as those related to insurance activities. As of 31 December 2018, BNPP's credit risk exposure broke down as follows: corporates (42%), retail customers (29%), central governments and central banks (21%), credit institutions (5%), other risky assets (2%) and equities (1%). As of 31 December 2018, 32% of BNPP's credit exposure was comprised of exposures in France, 14% in Belgium and Luxembourg, 10% in Italy, 19% in other European countries, 13% in North America, 6% in Asia and 6% in the rest of the world. BNPP's risk-weighted assets subject to this type of risk amounted to €504 billion at 31 December 2018, or 78% of the total risk-weighted assets of BNPP.

BNPP's **counterparty risk** arises from its credit risk in the specific context of market transactions, investments, and/or settlements. BNPP's exposure to counterparty risk, excluding CVA (Credit Valuation Adjustment) risk as of 31 December 2018, was comprised of: 40% in the corporate sector, 17% in governments and the central banks, 15% in credit institutions and investment firms, and 28% in clearing houses. By product, BNPP's exposure, excluding CVA risk, as of 31 December 2018 was comprised of: 56% in over-the-counter ("**OTC**") derivatives, 24% in repurchase transactions and securities lending/borrowing, 18% in listed derivatives and 2% in contributions to the clearing houses' default funds. The amount of this risk varies over time, depending on fluctuations in market parameters affecting the potential future value of the covered transactions. In addition, CVA risk measures the risk of losses related to CVA volatility resulting from fluctuations in credit spreads associated with the counterparties in respect of which BNPP is subject to risk. The risk-weighted assets subject to this type of risk amounted to €27 billion at 31 December 2018, representing 4% of the BNP Paribas Group's total risk-weighted assets, including €3 billion in respect of CVA risk.

**Securitization risk in the banking portfolio:** Securitization is a transaction or arrangement by which the credit risk associated with a liability or set of liabilities is subdivided into tranches. Any commitment made by BNPP under a securitization structure (including derivatives and liquidity lines) is considered to be a securitization. The bulk of BNPP's commitments are in the prudential banking portfolio. Securitized exposures are essentially those generated by BNPP. The securitization positions held or acquired by BNPP may also be categorized by its role: of the positions as at 31 December 2018, BNPP generated 43%, was sponsor of 44% and was investor of 13%. The risk-weighted assets subject to this type of risk amounted to €7 billion at 31 December 2018 for BNPP, or 1% of the total risk-weighted assets of BNPP.

- 1.1 *A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect BNPP's results of operations and financial condition.*

Credit risk and counterparty risk impact BNPP's consolidated financial statements when a customer or counterparty is unable to honour its obligations and when the book value of these obligations in BNPP's records is positive. The customer or counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government or a government entity, an investment fund, or a natural person. If the level of customer or counterparty defaults increases compared to recent historically low levels, BNPP may have to record significant charges and provisions for possible unrecoverable or doubtful debts, affecting its profitability.

As a result, in connection with its lending activities, BNPP regularly establishes provisions for loan losses, which are recorded on its income statement in the line item Cost of Risk. These provisions amounted to €2.764 billion at 31 December 2018, representing 35 basis points of outstanding customer loans (compared with 39 basis points at 31 December 2017).

BNPP's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans or statistical analysis based on scenarios applicable to asset classes.

Although BNPP seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in BNPP's estimate of the risk of loss inherent in its portfolio of non impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on BNPP's results of operations and financial condition.

As at 31 December 2018, the ratio of doubtful loans to total loans outstanding was 2.6% and the coverage ratio of these loans (net of guarantees received) by provisions was 76.2%.

While BNPP seeks to reduce its exposure to credit risk and counterparty risk by using risk mitigation techniques such as collateralization, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, BNPP is also exposed to the risk of default by the party providing the credit risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. In addition, only a portion of BNPP's overall credit risk and counterparty risk is covered by these techniques. Accordingly, BNPP has very significant exposure to these risks.

1.2 *The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.*

BNPP's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, may lead to market wide liquidity problems and could lead to further losses or defaults. BNPP has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. BNPP may also be exposed to risks related to the increasing involvement in the financial sector of players and the introduction of new types of transactions subject to little or no regulation (e.g., unregulated funds, trading venues or crowdfunding platforms). Credit and counterparty risks could be exacerbated if the collateral held by BNPP cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to BNPP or in case of a failure of a significant financial market participant such as a central counterparty. It is worth noting in this respect that regulatory changes requiring mandatory clearing of standardized OTC derivatives through central counterparties have resulted in an increase of the exposure of financial market participants to such central counterparties.

For reference, counterparty risk exposure related to financial institutions was €22 billion at 31 December 2018, or 15% of BNPP's total counterparty risk exposure, and counterparty risk exposure related to clearing houses was €40 billion, or 28% of BNPP's total counterparty risk exposure.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including BNPP, announced losses or exposure to losses in substantial amounts. BNPP remains the subject of various claims in connection with the Madoff matter; see Note 8.b (Contingent liabilities: legal proceedings and arbitration) to its consolidated financial statements as of and for the period ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English).

Losses resulting from the risks summarized above could materially and adversely affect BNPP's results of operations.

## **2. Operational Risk**

BNPP's operational risk is the risk of loss resulting from failed or inadequate internal processes (particularly those involving personnel and information systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, etc.). BNPP's operational risks cover fraud, human resources risks, legal and reputational risks, non-compliance risks, tax risks, information systems risks, risk of providing inadequate financial services (conduct risk), risk of failure of operational processes including credit processes, or from the use of a model (model risk), as well as potential financial consequences related to reputation risk management. From 2010-2018, BNPP's main type of incidents involving operational risk were in "Clients, products and business practices", which represents 63% of the total financial impact, largely as a result of BNPP's agreement with US authorities regarding its review of certain dollar transactions concluded in June 2014. The next largest category of incident for BNPP in operational risk was in "Execution, delivery and process management", accounting for 18% of the financial impact. Other types of risk in operational risk consist of external fraud (13%), business disruption and systems failure (3%), internal fraud (1%), damage to physical assets (1%) and employment practices and workplace safety (1%).

The risk-weighted assets subject to this type of risk amounted to €73 billion at 31 December 2018, or 11% of the total risk-weighted assets of BNPP.

### **2.1** *BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.*

BNPP has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, BNPP's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that BNPP may have failed to identify or anticipate. BNPP's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of BNPP's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. BNPP applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process BNPP uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to

predict future risk exposures, e.g., if BNPP does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit BNPP's ability to manage its risks. BNPP's losses could therefore be significantly greater than the historical measures indicate. In addition, BNPP's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

2.2 *An interruption in or a breach of BNPP's information systems may cause substantial losses of client or customer information, damage to BNPP's reputation and result in financial losses.*

As with most other banks, BNPP relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, and the development of cloud computing and blockchain technologies. Any failure or interruption or breach in security of these systems could result in failures or interruptions in BNPP's customer relationship management, general ledger, deposit, servicing and/or loan organization systems or could cause BNPP to incur significant costs in recovering and verifying lost data. BNPP cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed.

In addition, BNPP is subject to cybersecurity risk, or risk caused by a malicious and/or fraudulent act, committed virtually, with the intention of manipulating information (confidential data, bank/insurance, technical or strategic), processes and users, in order to cause material losses to BNPP's subsidiaries, employees, partners and clients. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorized access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognized until launched against a target, BNPP and its third party service providers may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures.

Any failures of or interruptions in BNPP's information systems or those of its providers and any subsequent disclosure of confidential information related to any client, counterparty or employee of BNPP (or any other person) or any intrusion or attack against the its communication system could cause significant losses and have an adverse effect on BNPP's reputation, financial condition and results of operations.

Moreover, BNPP is exposed to the risk of operational failure or interruption of a clearing agent, foreign markets, clearing houses, custodian banks or any other financial intermediary or external service provider used by BNPP to execute or facilitate financial transactions. Due to its increased interaction with clients, BNPP is also exposed to the risk of operational malfunction of the latter's information systems. BNPP's communications and data systems and those of its clients, service providers and counterparties may also be subject to malfunctions or interruptions as a result of cyber-crime or cyber-terrorism. BNPP cannot guarantee that these malfunctions or interruptions in its own systems or those of other parties will not occur or that in the event of a cyberattack, these malfunctions or interruptions will be adequately resolved. These operational malfunctions or interruptions accounted for an average of 3% of operational risk losses over the 2010-2018 period.

2.3 *Reputational risk could weigh on BNPP's financial strength and diminish the confidence of clients and counterparties in it.*



Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to BNPP's ability to attract and retain customers. BNPP's reputation could be harmed if it cannot adequately promote and market its products and services. BNPP's reputation could also be damaged if, as it increases its client base and the scale of its businesses, BNPP's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address them properly. At the same time, BNPP's reputation could be damaged by employee misconduct, fraud or misconduct by financial industry participants to which BNPP is exposed, a decline in, a restatement of, or corrections to, its financial results, as well as any adverse legal or regulatory action, such as the settlement BNPP entered into with the U.S. authorities in 2014 for violations of U.S. laws and regulations regarding economic sanctions. The loss of business that could result from damage to BNPP's reputation could have an adverse effect on its results of operations and financial position.

### 3. Market risk

BNPP's market risk is the risk of loss of value caused by an unfavourable trend in prices or market parameters. The parameters affecting BNPP's market risk include, but are not limited to, exchange rates, prices of securities and commodities (whether the price is directly quoted or obtained by reference to a comparable asset), the price of derivatives on an established market and all benchmarks that can be derived from market quotations such as interest rates, credit spreads, volatility or implicit correlations or other similar parameters.

BNPP is exposed to market risk mainly through trading activities carried out by the business lines of its Corporate & Institutional Banking ("**CIB**") operating division, primarily in Global Markets, which represented 11% of BNPP's revenue in 2018. BNPP's trading activities are directly linked to economic relations with clients of these business lines, or indirectly as part of its market making activity. The proprietary trading activities of BNPP's subsidiary Opera Trading Capital, which began in mid-2015, were discontinued at the beginning of 2019.

In addition, the market risk relating to BNPP's banking activities covers its interest rate and foreign exchange rate risk in connection with its activities as a banking intermediary. The "operating" foreign exchange risk exposure relates to net earnings generated by activities conducted in currencies other than the functional currency of the entity concerned. The "structural" foreign exchange risk position of an entity relates to investments in currencies other than the functional currency. In measuring interest rate risk, BNPP defines the concepts of standard rate risk and structural rate risk as the following: the standard rate risk corresponds to the general case, namely when it is possible to define the most appropriate hedging strategy for a given transaction, and the structural rate risk is the interest rate risk for equity and non-interest-bearing current accounts.

BNP Paribas' market risk based on its activities is measured by Value at Risk ("**VaR**"), or the maximum potential loss over one year, at a 99.9% confidence level to calculate regulatory capital requirements, and various other market indicators (stressed VaR, Incremental Risk Charge, Comprehensive Risk Measure for credit correlation portfolio) as well as by stress tests and sensitivity analysis compared with market limits.

The risk-weighted assets subject to this type of risk amounted to €20 billion at 31 December 2018, or 3% of the total risk-weighted assets of BNPP.

#### 3.1 *BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.*

BNPP maintains trading and investment positions in the debt, currency, commodity and equity markets and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, i.e., the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover, volatility trends that prove substantially different from BNPP's expectations may

lead to losses relating to a broad range of other products that BNPP uses, including swaps, forward and future contracts, options and structured products.

To the extent that BNPP owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that BNPP has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose BNPP to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. BNPP may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or from which it expects to gain based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that BNPP did not anticipate or against which it is not hedged, it might realize a loss on those paired positions. Such losses, if significant, could adversely affect BNPP's results and financial condition. In addition, BNPP's hedging strategies may not be suitable for certain market conditions.

If any of the variety of instruments and strategies that BNPP uses to hedge its exposure to various types of risk in its businesses is not effective, the Group may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if BNPP holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating BNPP's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of BNPP's hedging strategies, as occurred for example in late 2018 with BNPP's index derivatives hedging in the United States. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in BNPP's reported earnings.

BNPP uses a VaR model to quantify its exposure to potential losses from market risks, and also performs stress testing with a view to quantifying its potential exposure in extreme scenarios. However, these techniques rely on statistical methodologies based on historical observations, which may turn out to be unreliable predictors of future market conditions. Accordingly, BNPP's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

The Global Markets business line in particular had €18 billion in risk-weighted assets subject to market risk at 31 December 2018, or 2.7% of the total risk-weighted assets of BNPP.

3.2 *BNPP may generate lower revenues from commission and fee based businesses during market downturns.*

BNPP's commissions represented 22% of total revenues in 2018. Financial and economic conditions affect the number and size of transactions for which BNPP provides securities underwriting, financial advisory and other investment banking services. These revenues, which include fees from these services, are directly related to the number and size of the transactions in which BNPP participates and can thus be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that BNPP charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues it receives from its asset management, equity derivatives and private banking businesses. Independently of market changes, below market performance by

BNPP's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues BNPP receives from its asset management business.

3.3 *Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an adverse effect on its net income and shareholders' equity.*

The carrying value of BNPP's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. As at 31 December 2018, on the assets side of BNPP's balance sheet, financial instruments at fair value through profit or loss, derivative financial instruments used for hedging purposes and financial assets at fair value through shareholders' equity amounted to €538.6 billion, €9.8 billion and €60 billion respectively. In the liabilities column, financial instruments at fair value through profit or loss and derivative financial instruments used for hedging purposes amounted to €560 billion and €11.7 billion, respectively, at 31 December 2018. Most of the adjustments are made on the basis of changes in fair value of BNPP's assets or debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect BNPP's consolidated revenues and, as a result, its net income. All fair value adjustments affect shareholders' equity and, as a result, BNPP's capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

#### 4. Liquidity and funding risk

Liquidity risk is the risk that BNPP will not be able to honour its commitments or unwind or offset a position due to market conditions or specific factors within a specified period of time and at a reasonable cost. It reflects the risk of not being able to cope with net cash outflows, including collateral requirements, over short-term to long-term horizons. The Group's specific risk can be assessed through its short-term liquidity ratio ("**Liquidity Coverage Ratio**" or "**LCR**"), which analyses the hedging of net cash outflows during a thirty-day stress period. The monthly average in 2018 of the Group's LCR was 117%, representing a liquidity surplus of €41 billion compared to regulatory requirements. The liquidity reserve was €308.1 billion at the end of 2018.

4.1 *BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors.*

The financial crisis, the euro zone sovereign debt crisis as well as the general macroeconomic environment have at times adversely affected the availability and cost of funding for European banks in recent years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including BNPP, at various points experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the European Central Bank ("**ECB**") at times increased substantially. If such adverse credit market conditions were to reappear in the event of prolonged stagnation of growth, deflation, resurgence of the financial crisis, the sovereign debt crisis or new forms of financial crises, factors relating to the financial industry in general or to BNPP in particular, the effect on the liquidity of the European financial sector in general and BNPP in particular could be materially adverse and have a negative impact on BNPP's results of operations and financial condition.

4.2 *Protracted market declines can reduce BNPP's liquidity, making it harder to sell assets and possibly leading to material losses. Accordingly, BNPP must ensure that its assets and liabilities properly match in order to avoid exposure to losses.*

In some of BNPP's businesses, particularly Global Markets (which represented 11% of BNPP's revenue in 2018) and Asset/Liability Management, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if BNPP cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that BNPP calculates using models rather than publicly quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant unanticipated losses.

BNPP is exposed to the risk that the maturity, interest rate or currencies of its assets might not match those of its liabilities. The timing of payments on certain of BNPP's assets is uncertain, and if BNPP receives lower revenues than expected at a given time, it might require additional market funding in order to meet its obligations on its liabilities. While BNPP imposes strict limits on the gaps between its assets and its liabilities as part of its risk management procedures, it cannot be certain that these limits will be fully effective to eliminate potential losses arising from asset and liability mismatches.

#### 4.3 *The credit ratings of BNPP may be downgraded, which would weigh on its profitability.*

Credit ratings have a significant impact on BNPP's liquidity. On 5 April 2019, Standard & Poor's revised the long-term rating of BNPP's deposits and senior preferred debt from A to A+, and confirmed its short-term rating as A-1, with a stable outlook. On 6 June 2019, Fitch France revised its long-term deposits and senior preferred debt rating for BNPP from A+ to AA-, and raised its short-term rating from F1 to F1+, with a stable outlook. On 27 September 2017, Moody's revised its long-term deposits and senior preferred debt rating from A1 to Aa3, and confirmed its short-term rating as P-1, with a stable outlook. On 12 July 2019, DBRS confirmed BNPP's senior preferred debt rating as AA (low), as well as its short-term rating as R-1(middle) with a stable outlook. A downgrade in BNPP's credit rating could affect its liquidity and competitive position. It could also increase BNPP's borrowing costs, limit access to the capital markets or trigger additional obligations under its covered bonds or under certain bilateral provisions in some trading, derivative or collateralized financing contacts. See also "*Credit Ratings may not Reflect all Risks*" below.

In addition, BNPP's cost of obtaining long term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase BNPP's cost of funding. Changes in credit spreads are continuous, market driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of BNPP's creditworthiness. Furthermore, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to BNPP's debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of BNPP.

## 5. Risks related to the macroeconomic and market environment

### 5.1 *Adverse economic and financial conditions have in the past had and may in the future have an impact on BNPP and the markets in which it operates.*

BNPP's business is sensitive to changes in the financial markets and more generally to economic conditions in France (32% of BNPP's revenues), other countries in Europe (43% of BNPP's revenues) and the rest of the world (25% of BNPP's revenues). A deterioration in economic conditions in the markets where BNPP operates could have some or all of the following impacts:

- Adverse economic conditions could affect the business and operations of BNPP's customers, reducing credit demand and trading volume and resulting in an increased rate of default on loans and other receivables;
- A decline in market prices of bonds, equities and commodities could impact many of the businesses of BNPP, including in particular trading, investment banking and asset management revenues;
- Macroeconomic policies adopted in response to actual or anticipated economic conditions could have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn could affect BNPP's businesses that are most exposed to market risk;
- Perceived favourable economic conditions generally or in specific business sectors could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable;
- A significant economic disruption (such as the global financial crisis of 2008 or the European sovereign debt crisis of 2011) could have a severe impact on all of BNPP's activities, particularly if the disruption is characterized by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all;
- A significant deterioration of market and economic conditions resulting from, among other things, adverse political and geopolitical events such as natural disasters, societal unrest, geopolitical tensions (in particular protectionist measures), acts of terrorism, cyber attacks, military conflicts or threats thereof and related risks could affect the operating environment for BNPP episodically or for extended periods.

European markets may be affected by a number of factors in 2019 and into 2020, including continuing uncertainty resulting from the decision of the United Kingdom to leave the European Union (possibly through a "no-deal" exit), evolving monetary policy in Europe and the United States and uncertain political and economic conditions in certain large European countries. Markets in the United States may be affected by factors, such as trade policy or a tendency towards political stalemate, which has affected currency markets globally. Asian markets could be impacted by factors such as slower than expected economic growth rates in certain countries in the region.

Share prices have recently experienced significant volatility, which may occur again. Credit markets and the value of fixed income assets could be adversely affected if interest rates were to rise as central banks continue to scale back the extraordinary support measures put in place in response to recent adverse economic conditions. Conversely, a continued or renewed loosening of monetary policy would weigh on banks' profitability. The price of oil has been particularly volatile in recent months, and could be impacted by unpredictable geopolitical factors in regions such as the Middle East and Russia.

More generally, increased volatility of financial markets could adversely affect BNPP's trading and investment positions in the debt, currency, commodity and equity markets, as well as its positions in other investments. For reference, Global Markets accounted for 11% of BNPP's revenues in 2018. Severe market disruptions and extreme market volatility have occurred in recent years and may occur again in the future, which could result in significant losses for BNPP. Such losses may extend to a broad range of trading and hedging products, including swaps, forward and future contracts, options and structured products. The volatility of financial markets makes it difficult to predict trends and implement effective trading strategies.

It is difficult to predict when economic or market downturns will occur, and which markets will be most significantly impacted. If economic or market conditions in France or elsewhere in Europe, or global markets more generally, were to deteriorate or become more volatile, BNPP's operations could be disrupted, and its business, results of operations and financial condition could be adversely affected.

5.2 *Significant interest rate changes could adversely affect BNPP's revenues or profitability. The prolonged low interest rate environment carries inherent systemic risks, which could impact BNPP's income or profitability, and an exit from such environment also carries risks.*

The amount of net interest income earned by BNPP during any given period significantly affects its overall revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond BNPP's control, such as the rate of inflation, country-specific monetary policies and certain decisions concerning regulatory capital. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in net interest income from BNPP's lending activities. In addition, increases in the interest rates at which BNPP's short-term funding is available and maturity mismatches may adversely affect its profitability.

Since the 2008-2009 financial crisis, global markets have been characterized by an extended period of low interest rates. If the low interest rate environment continues, as a result of continued monetary loosening, low growth or other factors, BNPP's profitability may be affected, given that BNPP's net interest income represented 50% of total revenues in 2018 (see Note 2.a (Net interest income) to BNPP's consolidated financial statements as of and for the year ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English)). In this respect, after announcing in December 2018 the end of its quantitative easing policy, the ECB announced in March 2019 – in the face of slower than anticipated growth – a status quo on its benchmark lending rates until at least the end of 2019 (extended in June 2019 to at least the first half of 2020) as well as new targeted longer-term financing operations ("**TLTRO**") bearing, under certain conditions, negative rates. During periods of low interest rates, interest rate spreads tend to tighten, and BNPP may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. On an indicative basis, over one-, two- and three-year timeframes, the sensitivity of revenues at 31 December 2018 to a parallel, instantaneous and definitive increase in market rates of +50 basis points (+0.5%) across all currencies had a positive impact of +€185 million, +€510 million and +€698 million, respectively, or 0.4%, 1.2% and 1.6% of BNPP's net banking income. In addition, BNPP has been facing and may continue to face an increase in early repayment and refinancing of mortgages and other fixed rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, has resulted and may continue to result in a decrease in the average interest rate of BNPP's portfolio of loans thereby causing a decline in its net interest income from lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by BNPP from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Low interest rates may also negatively affect the profitability of BNPP's insurance activities, which may not be able to generate sufficient returns to be competitive with other investment products. Low interest rates may also adversely affect commissions charged by BNPP's asset management subsidiaries on money market and other fixed income products. A reduction in credit spreads and decline in retail banking income resulting from lower portfolio interest rates may adversely affect the profitability of BNPP's retail banking operations.

However, the end of a period of prolonged low interest rates, in particular due to tightening monetary policy, also carries risks. In this respect, the U.S. Federal Reserve tightened its monetary policy in 2017 and 2018, before lowering its key interest rate as from July 2019. If market interest rates were to rise, a portfolio featuring significant amounts of lower interest loans and fixed income assets would be expected to decline in value. If BNPP's hedging strategies are ineffective or provide only a partial hedge against such a change in value, BNPP could incur losses. Any sharper or more rapid than expected tightening could have a negative impact on the economic recovery. On the lending side, it could in particular cause stress in loan and bond portfolios, possibly leading to an increase in non performing exposures and defaults. More generally, the ending of accommodative monetary policies (including liquidity infusions from central bank asset purchases) may lead to severe corrections in certain markets or asset classes (e.g., non investment grade corporate and sovereign borrowers, certain sectors of equities and real estate) that particularly benefitted (including from very low risk premia as compared to historical averages) from the prolonged low interest rate and high liquidity environment, and such corrections could potentially be contagious to financial markets generally, including through substantially increased volatility.

- 5.3 *Given the global scope of its activities, BNPP may be vulnerable to risk in certain countries where it operates and may be vulnerable to political, macroeconomic or financial changes in the countries and regions where it operates.*

BNPP is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given foreign country in which it operates could affect its business and results. BNPP monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. In addition, factors specific to a country or region in which BNPP operates could make it difficult for it to carry out its business and lead to losses or impairment of assets.

At 31 December 2018, BNPP's loan portfolio consisted of receivables from borrowers located in France (32%), Belgium and Luxembourg (14%), Italy (10%), other European countries (19%), North America (13%), Asia (6%) and the rest of the world (6%). Adverse conditions that particularly affect these countries and regions would have a particularly significant impact on BNPP. In addition, BNPP has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

## **6. Regulatory Risks**

- 6.1 *Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact BNPP and the financial and economic environment in which it operates.*

Laws and regulations have been enacted in the past few years, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the measures has changed substantially the environment in which BNPP and other financial institutions operate.

The measures that have been adopted include:

- more stringent capital and liquidity requirements (particularly for global systemically important banks such as BNPP), as well as changes to the risk-weighting methodologies and the methods of using internal models that could lead to increased capital requirements;

- restrictions on certain types of activities considered as speculative undertaken by commercial banks that are prohibited or need to be ring fenced in subsidiaries (particularly proprietary trading) and are subject to prudential requirements and autonomous funding;
- prohibitions or restrictions on certain types of financial products or activities;
- enhanced recovery and resolution regimes, in particular the Bank Recovery and Resolution Directive of 15 May 2014 (the "**BRRD**"), which strengthens powers to prevent and resolve banking crises in order to ensure that losses are borne largely by the creditors and shareholders of the banks and in order to keep the costs incurred by taxpayers to a minimum;
- the establishment of the national resolution funds by the BRRD and the creation of the Single Resolution Board (the "**SRB**") by the European Parliament and Council of the European Union in a resolution dated 15 July 2014, which can initiate resolution proceedings for banking institutions such as BNPP, and the Single Resolution Fund (the "**SRF**"), the financing of which by BNPP (up to its annual contribution) can be significant;
- the establishment of national deposit guarantee schemes and a proposed European deposit guarantee scheme or deposit insurance which will gradually cover all or part of the guarantee schemes of participating countries;
- increased internal control and reporting requirements with respect to certain activities;
- more stringent governance and conduct of business rules and restrictions and increased taxes on employee compensation over specified levels;
- measures to improve the transparency, efficiency and integrity of financial markets and in particular the regulation of high frequency trading, more extensive market abuse regulations, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, OTC derivative transactions (including through posting of collateral in respect of non centrally cleared derivatives);
- the taxation of financial transactions;
- enhanced protection of personal data and cybersecurity requirements;
- enhanced disclosure requirements, for instance in the area of sustainable finance; and
- strengthening the powers of supervisory bodies, such as the French Prudential Supervision and Resolution Authority (the "**ACPR**") and the creation of new authorities, including the adoption of the Single Resolution Mechanism (the "**SRM**") in October 2013, which placed BNPP under the direct supervision of the ECB as of November 2014.

These measures may have a significant impact. For example, the introduction of a required contribution to the Single Resolution Fund resulted in a substantial additional expense for BNPP (BNPP made a €0.6 billion contribution to the SRF in 2018).

These measures could be further amended, expanded or strengthened. Moreover, additional measures could be adopted in other areas. It is impossible to predict what additional measures will be adopted and, given the complexity and continuing uncertainty of a certain number of these measures, to



determine their impact on BNPP. The cumulative effect of these measures, whether already adopted or that may be adopted in the future, has been and could continue to be a decrease in BNPP's ability to allocate its capital and capital resources to financing, limit its ability to diversify risks, reduce the availability of certain financing and liquidity resources, increase the cost of financing, increase the cost or reduce the demand for the products and services offered by BNPP, require BNPP to proceed with internal reorganizations, structural changes or reallocations, affect the ability of BNPP to carry on certain activities or to attract and/or retain talent and, more generally, affect its competitiveness and profitability, which could have an impact on its profitability, financial condition and operating results.

BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates. BNPP faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following:

- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which BNPP operates;
- changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks;
- changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations;
- changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds;
- changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems;
- changes in the regulation of payment services, crowdfunding and fintech;
- changes in the regulation of protection of personal data and cybersecurity;
- changes in tax legislation or the application thereof;
- changes in accounting norms;
- changes in rules and procedures relating to internal controls, risk management and compliance; and
- expropriation, nationalization, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership.

These changes, the scope and implications of which are highly unpredictable, could substantially affect BNPP and have an adverse effect on its business, financial condition and results of operations. Some reforms not aimed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect BNPP's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

6.2 *BNPP may incur substantial fines and other administrative and criminal penalties for non compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.*

BNPP is exposed to regulatory compliance risk, i.e. the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to BNPP's reputation and private rights of action (including class actions), non compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions as well as substantial increases in the quantum of applicable fines and penalties. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, BNPP faces significant legal risk in its operations, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further. BNPP may record provisions in this respect as indicated in Note 5.p to the financial statements (Provisions for contingencies and charges) as of and for the period ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English).

In this respect, on 30 June 2014 BNPP entered into a series of agreements with, and was the subject of several orders issued by, U.S. federal and New York state government agencies and regulatory authorities in settlement of investigations into violations of U.S. laws and regulations regarding economic sanctions. The fines and penalties imposed on BNPP as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to \$8.97 billion (€6.6 billion) and guilty pleas by BNP Paribas S.A., the parent company of BNPP, to charges of having violated U.S. federal criminal law and New York State criminal law. Following this settlement, BNPP remains subject to increased scrutiny by regulatory authorities (including via the presence of an independent consultant within BNPP) who are monitoring its compliance with a remediation plan agreed with them.

BNPP is currently involved in various litigations and investigations as summarized in Note 8.b (Contingent liabilities: legal proceedings and arbitration) to its consolidated financial statements as of and for the period ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English). It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on BNPP's operating results for any particular period.

6.3 *BNPP could experience an unfavourable change in circumstances, causing it to become subject to a resolution proceeding: holders of securities of BNPP could suffer losses as a result.*

The BRRD and the Ordinance of 20 August 2015 confer upon the ACPR or the SRB the power to commence resolution proceedings for a banking institution, such as BNPP, with a view to ensuring the continuity of critical functions, avoiding the risks of contagion and recapitalizing or restoring the viability of the institution. These powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), then by the holders of non-preferred senior debt and finally by the holders of senior preferred debt, all in accordance with the order of their claims in normal insolvency proceedings. For reference, BNPP's medium- to long-term wholesale financing at 31 December 2018 consisted of the following: €9 billion of hybrid Tier 1 debt, €16.1 billion of Tier 2

subordinated debt, €23.4 billion of senior unsecured non-preferred debt, €80.5 billion of senior unsecured preferred debt and €29.7 billion of senior secured debt.

Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager (*administrateur spécial*).

Certain powers, including the full or partial write down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write down or conversion into equity of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers with respect to BNPP may result in significant structural changes to BNPP (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write down, modification or variation of claims of shareholders and creditors. Such powers may also result, after any transfer of all or part of BNPP's business or separation of any of its assets, in the holders of securities (even in the absence of any such write down or conversion) being left as creditors of BNPP in circumstances where BNPP's remaining business or assets are insufficient to support the claims of all or any of the creditors of BNPP.

## **7. Risks related to BNPP's growth in its current environment**

### **7.1 *BNPP's failure to implement its strategic plan could affect the trading price of its securities.***

BNPP announced a strategic plan for the 2017-2020 period on 7 February 2017. This plan contemplates a number of initiatives, including the implementation of new customer pathways, BNPP's digital transformation, continuing to improve operating efficiency and various business development initiatives. BNPP closely monitors these initiatives and provided an update on its 2020 targets on 6 February 2019 (including anticipated growth in revenues over the 2016-2020 period at 1.5% per year compared to 2.5% per year in the initial plan, and a target of recurring cost savings in 2020 of €3.3 billion compared to €2.7 billion in the initial plan). These financial targets and objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions.

BNPP's actual results could vary significantly from these targets and objectives for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section. If BNPP does not achieve its objectives, its financial position and the trading price of its securities could be affected, as well as its financing costs.

Additionally, as part of BNPP's commitment to environmental responsibility within its CSR policy, it has announced a number of initiatives to support the energy transition towards a low carbon economy, including a reduction in financing for energies with the most negative environmental impact. In 2018, BNPP accordingly ceased financing for companies whose main business is fracking of gas/shale oil, oil from oil sands or oil/gas production in the Arctic as well as financing for tobacco companies.

These measures (and any future ones along similar lines) may in certain cases adversely affect BNPP's results in the relevant sectors.

7.2 *BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its acquisitions.*

BNPP makes acquisitions on a regular basis. For example, BNPP's most recent major acquisition was of substantially all of the activities of Raiffeisen Bank Polska in Poland, which was completed on 31 October 2018; such activities were subsequently merged with BGZ BNP Paribas. Integrating acquired businesses is a long and complex process, and may entail restructuring costs; in 2018, BNPP incurred €129 million in restructuring costs related mainly to the integration of LaSer, DAB Bank, GE LLD, ABN Amro Luxembourg and Raiffeisen Bank Polska. Successful integration and the realization of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realization. Moreover, the integration of BNPP's existing operations with those of the acquired operations could interfere with its respective businesses and divert management's attention from other aspects of BNPP's business, which could have a negative impact on BNPP's business and results. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although BNPP undertakes an in depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. As a result, BNPP may increase its exposure to doubtful or troubled assets and incur greater risks as a result of its acquisitions, particularly in cases in which it was unable to conduct comprehensive due diligence prior to the acquisition.

7.3 *BNPP's current environment may be affected by the intense competition amongst banking and non banking operators, which could adversely affect BNPP's revenues and profitability.*

Competition is intense in all of BNPP's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area or as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding platforms. While BNPP has launched initiatives in these areas, such as the debut of Hello Bank! and its acquisition of Nickel, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g., debt funds, shadow banks), or benefiting from economies of scale, data synergies or technological innovation (e.g., internet and mobile operators, digital platforms, fintechs), could be more competitive by offering lower prices or more innovative services. In addition, new payment systems and crypto-currencies, such as Bitcoin, and new technologies that facilitate transaction processes, such as blockchain, have developed in recent years. While it is difficult to predict the effects of these emerging technologies as well as any applicable regulations, their use could nevertheless reduce BNPP's market share or secure investments that otherwise would have used technology used by more established financial institutions, such as BNPP. If BNPP is unable to respond to the competitive environment in France or in its other major markets by offering attractive, innovative and profitable product and service solutions, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for

BNPP and its competitors (the results of BNPP's various business lines in 2018 are described on pages 116 to 127 of the BNPP 2018 Registration Document (in English)). It is also possible that the imposition of more stringent requirements (particularly capital requirements and business restrictions) on large or systemically significant financial institutions, could lead to distortions in competition in a manner adverse to large private sector institutions such as BNPP.

7.4 *Changes in certain holdings in credit or financial institutions could have an impact on BNPP's financial position.*

Amounts below the thresholds for prudential capital deduction are assets subject to a risk-weight of 250% in accordance with Article 48 of Regulation (EU) No. 575/2013. These assets include: credit or financial institutions consolidated under the equity method within the prudential scope, which are weighted using the simple weighting method; significant financial interest in credit or financial institutions in which BNPP holds a stake of more than 10%; and deferred tax assets that rely on future profitability and arise from temporary differences.

The risk-weighted assets subject to this type of risk amounted to €17 billion at 31 December 2018, or 2.6% of the total risk-weighted assets of BNPP."

## AMENDMENTS TO DOCUMENTS INCORPORATED BY REFERENCE

The section "**DOCUMENTS INCORPORATED BY REFERENCE**" on pages 123 to 129 in the Base Prospectus is amended as follows:

- (a) paragraph (f) is deleted and replaced with the following:  

"(f) BNPP's *Document d'enregistrement universel au 30 juin 2019 et rapport financier semestriel déposé auprès de l'AMF le 31 juillet 2019* (in English) (other than the sections entitled "Persons Responsible for the Update of the Registration Document" and "Tables of Concordance") with filing number D.19-0731 (the "**BNPP Universal Registration Document as at 30 June 2019 (in English)**") – <https://invest.bnppparibas.com/en/registration-documents-annual-financial-reports>);";
- (b) the "." at the end of paragraph (g) is deleted and replaced with "; and";
- (c) the following new paragraphs (h) is added under paragraph (g):  

"(h) BNPP's *Amendement au Document d'enregistrement universel au 30 juin 2019 déposé auprès de l'AMF le 31 octobre 2019* (in English) (other than the sections entitled "Persons Responsible for the Update of the Registration Document" and "Tables of Concordance") with filing number D.19-0731-A01 (the "**First Amendment to the BNPP 2019 Universal Registration Document (in English)**") – <https://invest.bnppparibas.com/en/registration-documents-annual-financial-reports>)".
- (d) The table entitled "**BNP PARIBAS - Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004**" is deleted in its entirety and replaced with the following:

<b>BNP PARIBAS</b>	
<i>Extracts of Annex XI of the European Regulation 809/2004/EC of 29 April 2004</i>	
<b>3. Risk Factors</b>	
3.1. Prominent disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	<p>Pages 277 to 464 of the BNPP 2018 Registration Document (in English)</p> <p>Pages 73 and 77 of the First Update to the BNPP 2018 Registration Document (in English)</p> <p>Pages 74 and 200 to 240 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p> <p>Pages 79 and 85 to 103 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)</p>
<b>4. Information about the Issuer</b>	
4.1. History and development of the Issuer:	<p>Page 5 of the BNPP 2018 Registration Document (in English)</p> <p>Page 3 of the First Update to the BNPP 2018 Registration Document (in English)</p>

	<p>Page 3 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p> <p>Page 3 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)</p>
4.1.1. The legal and commercial name of the Issuer;	Page 585 of the BNPP 2018 Registration Document (in English)
4.1.2. The place of registration of the Issuer and its registration number;	Pages 585 and 606 (back cover) of the BNPP 2018 Registration Document (in English)
4.1.3. The date of incorporation and the length of life of the Issuer, except where indefinite;	Page 585 of the BNPP 2018 Registration Document (in English)
4.1.4. - the domicile and legal form of the Issuer, - the legislation under which the Issuer 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).	Pages 585 and 606 (back cover) of the BNPP 2018 Registration Document (in English)
4.1.5. Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	Pages 280, 316 to 317 and 577 of the BNPP 2018 Registration Document (in English) Pages 54, 74, 200 and 242 of the BNPP Universal Registration Document as at 30 June 2019 (in English)
<b>5. Business Overview</b>	
5.1.1. A brief description of - the Issuer's principal activities stating, - the main categories of products sold and/or services performed.	Pages 6 to 15, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English) Page 3 of the BNPP Universal Registration Document as at 30 June 2019 (in English) Page 3 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)
5.1.2. An indication of any significant new products and/or activities.	Pages 6 to 15, 135, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.3. A brief description of the principal markets in which the Issuer competes.	Pages 6 to 15, 196 to 199 and 578 to 584 of the BNPP 2018 Registration Document (in English)
5.1.4. The basis for any statements in the registration document made by the Issuer regarding its competitive position.	Pages 6 to 15 and 114 to 127 of the BNPP 2018 Registration Document (in English)
<b>6. Organisational Structure</b>	
6.1. If the Issuer is part of a group, a brief description of the group and of the Issuer's position within it.	Page 4; 6 of the BNPP 2018 Registration Document (in English) Page 3 of the First Update to the BNPP 2018 Registration Document (in English)

	<p>Page 3 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p> <p>Page 3 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)</p>
6.2. If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	<p>Pages 261 to 268, 496 to 501, 576, and 578 to 584 of the BNPP 2018 Registration Document (in English)</p> <p>Pages 173 to 197 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
<b>7. Trend Information</b>	
7.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	<p>Pages 136 to 138 and 286 of the BNPP 2018 Registration Document (in English)</p> <p>Page 242 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p> <p>Page 106 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)</p>
<b>8. Profit Forecasts or Estimates</b>	
<p>8.1. A statement setting out the principal assumptions upon which the Issuer has based its forecast, or estimate.</p> <p>There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily understandable by investors; be specific and precise; and not relate to the general accuracy of the estimates underlying the forecast.</p>	NA
8.2. A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.	NA
Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to be published in the next annual audited financial statements for the previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:	
(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;	



<p>(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;</p> <p>(c) this financial information has not been audited.</p>	
8.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.	NA
<b>9. Administrative, Management, and Supervisory Bodies</b>	
<p>9.1. Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:</p> <p>(a) members of the administrative, management or supervisory bodies;</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital.</p>	Pages 31 to 45 and 98 of the BNPP 2018 Registration Document (in English)
<p>9.2. Administrative, Management, and Supervisory bodies conflicts of interests.</p> <p>Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated.</p> <p>In the event that there are no such conflicts, make a statement to that effect.</p>	Pages 49 to 50, 63 to 64 and 74 to 94 of the BNPP 2018 Registration Document (in English)
<b>10. Major Shareholders</b>	
10.1. To the extent known to the Issuer, state whether the Issuer 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.	<p>Pages 16 and 17 of the BNPP 2018 Registration Document (in English)</p> <p>Page 241 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p>
10.2. A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	Page 17 of the BNPP 2018 Registration Document (in English)
<b>11. Financial Information concerning the Issuer's assets and liabilities, financial position and profits and losses</b>	
<p>11.1. Historical Financial Information</p> <p>Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year.</p>	<p>Pages 4, 20, 109 to 136, 137 to 242, 440 to 482 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 4,20,113 to 269, 466 to 502, of the BNPP 2018 Registration Document (in English)</p>
<p>11.2. Financial statements</p> <p>If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	<p>Pages 137 to 236, 439 to 476 of the BNPP 2017 Registration Document (in English)</p> <p>Pages 149 to 269, 465 to 502 of the BNPP 2018 Registration Document (in English)</p> <p>Pages 75 to 196 of the BNPP Universal Registration Document as at 30 June 2019 (in English)</p> <p>Page 78 of the First Amendment to the BNPP 2019 Universal Registration Document (in</p>

	English)
11.3. Auditing of historical annual financial information	
11.3.1. A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.	Pages 237 to 242, 477 to 482 of the BNPP 2017 Registration Document (in English) Pages 270 to 276, 503 to 508 of the BNPP 2018 Registration Document (in English)
11.3.2. An indication of other information in the registration document which has been audited by the auditors.	Pages 94, 564 to 565 of the BNPP 2017 Registration Document (in English) Pages 98, 590 to 591 of the BNPP 2018 Registration Document (in English)
11.4. Age of latest financial information	
11.4.1. The last year of audited financial information may not be older than 18 months from the date of the registration document.	Pages 140 and 440 of the BNPP 2017 Registration Document (in English) Pages 152 and 466 of the BNPP 2018 Registration Document (in English)
11.5. Interim and other financial information	
11.5.1. If the issuer has published quarterly or half yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half yearly financial information has been reviewed or audited the audit or review report must also be included. If the quarterly or half yearly financial information is unaudited or has not been reviewed state that fact.	Pages 4 to 69 and page 72 of the First Update to the BNPP 2018 Registration Document (in English) Pages 4 to 71 and 75 to 197 of the BNPP Universal Registration Document as at 30 June 2019 (in English) Pages 4 to 75 and 78 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)
11.6. Legal and arbitration proceedings	Pages 248 and 249 of the BNPP 2018 Registration Document (in English) Pages 97 to 98 of the First Update to the BNPP 2018 Registration Document (in English) Pages 165 to 166 of the BNPP Universal Registration Document as at 30 June 2019 (in English) Pages 104 to 105 of the First Amendment to the BNPP 2019 Universal Registration Document (in English)

- (e) The first sentence of the paragraph below the table entitled "**BNP PARIBAS ISSUANCE B.V.** - *Extracts of Annex IV of the European Regulation 809/2004/EC of 29 April 2004*" is deleted in its entirety and replaced with the following;

"Each of the documents incorporated by reference in (b) to (h) above will only be made available by the relevant Issuer or the Guarantor (if applicable) to which such document relates."

## AMENDMENTS TO THE GENERAL INFORMATION

The section "**GENERAL INFORMATION**" on pages 582 to 588 of the Base Prospectus is amended as follows:

- (a) the paragraphs under the heading "**4. Documents Available**" are amended as follows:
- (i) the word "and" at the end of sub-paragraph (xii) is deleted;
  - (ii) the word "and" is added at the end of sub-paragraph (xiii);
  - (iii) the following new sub-paragraph (xiv) is added under sub-paragraph (xiii):

"(xiv) the First Amendment to the BNPP 2019 Universal Registration Document (in English)."
  - (iv) the first sentence in the first paragraph beneath the numbered list is deleted and replaced with the following:

"In the case of (i), (ii), (vi), (viii), (ix), (x), (xii) and (xiii), the documents are also available via BNPP's website: [www.invest.bnpparibas.com](http://www.invest.bnpparibas.com). In addition, copies of this Base Prospectus and any documents incorporated by reference in this Base Prospectus are available via BNPP's websites ([www.produitsdebourse.bnpparibas.fr](http://www.produitsdebourse.bnpparibas.fr); [www.bnpparibasmarkets.be](http://www.bnpparibasmarkets.be) or [www.bnpparibasmarkets.nl](http://www.bnpparibasmarkets.nl); [www.educatedtrading.bnpparibas.se](http://www.educatedtrading.bnpparibas.se) ; <https://www.productoscotizados.com/home/>)."
- (b) the first paragraph under the heading "**6. Legal and Arbitration Proceedings**" is deleted in its entirety and replaced with the following:
- "Save as disclosed on pages 248 and 249 of the BNPP 2018 Registration Document (in English), pages 97 to 99 of the First Update to the BNPP 2018 Registration Document (in English), pages 165 to 166 of the BNPP Universal Registration Document as at 30 June 2019 (in English) and pages 104 and 105 of the First Amendment to the BNPP 2019 Universal Registration Document (in English), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the period covering at least the twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.";
- (c) the table under the heading "**16. Capitalization of BNPP and the BNP Paribas Group**" is deleted and replaced with the following:
- "The following table(1) sets out the consolidated capitalization and medium to long term indebtedness (i.e. of which the unexpired term to maturity is more than one year) of the Group as of 30 September 2019 using the Group's prudential scope of consolidation.
- The "prudential scope of consolidation", as defined in Regulation (EU) 575/2013 on capital requirements for credit institutions and investment firms, is used by the Group in the preparation of its "Pillar 3" disclosure set out in Chapter 5 of the BNPP 2018 Registration Document (in English). It differs from the "accounting scope of consolidation" used by the Group in the preparation of its consolidated financial statements under IFRS, as adopted by the European Union. The principal differences between the two scopes of consolidation are summarised in Note 1 to the table below.
- Except as set forth in this section, there has been no material change in the capitalization of the Group since 30 September 2019.

For the avoidance of doubt, the figures in the table below are derived from the Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2019 and the Group's audited consolidated financial statements as of and for the year ended 31 December 2018 (which do not include prudential deductions), and are used for the purposes of the Group's prudential capital calculations.

	<u>As of</u> <u>30 September</u> <u>2019</u>	<u>As of</u> <u>31 December</u> <u>2018</u>
<i>(in millions of euros)</i>		
<b>Medium- and Long-Term Debt (of which the unexpired term to maturity is more than one year)<sup>2</sup></b>		
Senior preferred debt at fair value through profit or loss .....	42,044	37,516
Senior preferred debt at amortised cost.....	47,017	48,223
<b>Total Senior Preferred Debt .....</b>	<b>89,060</b>	<b>85,739</b>
Senior non preferred debt at fair value through profit or loss .....	644	0
Senior non preferred debt at amortised cost.....	37,831	23,549
<b>Total Senior Non Preferred Debt .....</b>	<b>38,475</b>	<b>23,549</b>
Redeemable subordinated debt at amortised cost .....	17,526	14,929
Undated subordinated notes at amortised cost <sup>3</sup> .....	535	516
Undated participating subordinated notes at amortised cost <sup>4</sup> .....	225	225
Redeemable subordinated debt at fair value through profit or loss.....	54	118
Perpetual subordinated notes at fair value through profit or loss <sup>5,6</sup> .....	660	669
Preferred shares and equivalent instruments <sup>7</sup> .....	9,753	8,240
<b>Total Subordinated Debt.....</b>	<b>28,752</b>	<b>24,697</b>
Issued capital <sup>8</sup> .....	2,500	2,500
Additional paid-in capital .....	24,564	24,537
Retained earnings.....	64,830	61,928
Unrealised or deferred gains and losses attributable to Shareholders .....	2,519	503
<b>Total Shareholders' Equity and Equivalents (net of proposed dividends).....</b>	<b>94,413</b>	<b>89,468</b>
Minority interests (net of proposed dividends) .....	4,094	4,049
<b>Total Capitalization and Medium-to-Long Term Indebtedness.....</b>	<b>254,795</b>	<b>227,502</b>

(1) Prior to 30 September 2018, the Group presented its consolidated capitalization and medium-to-long term indebtedness using the accounting scope of consolidation. Since then, the Group presents its capitalization table using the prudential scope of consolidation. As stated in Section 5.2 of the BNPP 2018 Registration Document, the material differences between the prudential scope of consolidation and the accounting scope of consolidation are the following:

- insurance companies (primarily BNP Paribas Cardif and its subsidiaries) that are fully consolidated under the accounting scope of consolidation are accounted for under the equity method in the prudential scope of consolidation;
- jointly controlled entities (mainly UCI Group entities and Bpost banque) are accounted for under the equity method in the accounting scope of consolidation and under the proportional consolidation scope in the prudential scope of consolidation.

(2) All medium- and long-term senior preferred debt of the Issuer ranks equally with deposits and senior to the new category of senior non preferred debt first issued by the Issuer in January 2017. The subordinated debt of the Issuer is subordinated to all of its senior debt (including both senior preferred and senior non preferred debt). The Issuer and its subsidiaries issue medium- to long-term debt on a continuous basis, particularly through private placements in France and abroad.

Euro against foreign currency as at 31 December 2017, CAD = 1.506, GBP = 0.889, CHF = 1.171, HKD = 9.387, JPY = 135.303, USD = 1.201.

Euro against foreign currency as at 31 December 2018, CAD = 1.563, GBP = 0.898, CHF = 1.126, HKD = 8.972, JPY = 125.594, USD = 1.146.

Euro against foreign currency as at 30 September 2019, CAD = 1.443, GBP = 0.886, CHF = 1.088, HKD = 8.549, JPY = 117.818, USD = 1.090.

(3) At 30 September 2019, the remaining subordinated debt included €505 million of undated floating-rate subordinated notes ("**TSDIs**").

(4) Undated participating subordinated notes issued by BNP SA in July 1984 for a total amount of €337 million are redeemable only in the event of the liquidation of the Issuer, but may be redeemed in accordance with the terms specified in the French law of 3 January 1983. The number of notes outstanding as at 30 September 2019 was 1,434,092 amounting to approximately €215 million. Payment of interest is obligatory, but the Board of Directors may postpone interest payments if the Ordinary General Meeting of shareholders held to approve the financial statements notes that there is no income available for distribution. Additionally, as at 30 September 2019, there were 28,698 undated participating subordinated notes issued by Fortis Banque France (amounting to approximately €4 million) and 6,773 undated participating subordinated notes issued by Banque de Bretagne (amounting to approximately €2 million) outstanding; both entities have since been merged into BNPP.

(5) Subordinated debt corresponds to an issue of Convertible And Subordinated Hybrid Equity-linked Securities ("**CASHES**") made by Fortis Bank SA/NV (now acting in Belgium under the commercial name BNP Paribas Fortis) in December 2007, for an initial nominal amount of €3 billion, which has now been reduced to an outstanding nominal amount of €948 million corresponding to a market value of €660 million at 30 September 2019. They bear interest at a floating rate equal to three-month EURIBOR plus a margin equal to 2% paid quarterly in arrears. The CASHES are undated but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price per Ageas share of €239.40. However, as of 19 December 2014, the CASHES are subject to automatic exchange into Ageas shares if the price of Ageas shares is equal to or higher than €359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.

Ageas and BNP Paribas Fortis have entered into a Relative Performance Note ("**RPN**") contract, the value of which varies contractually so as to offset the impact on BNP Paribas Fortis of the relative difference between changes in the value of the CASHES and changes in the value of the Ageas shares.

On 7 May 2015, BNPP and Ageas reached an agreement which allows BNPP to purchase outstanding CASHES subject to the condition that these are converted into Ageas shares, leading to a proportional settlement of the RPN. The agreement between Ageas and BNPP expired on 31 December 2016 and has not been renewed.

On 24 July 2015, BNPP obtained a prior agreement from the European Central Bank permitting it to purchase outstanding CASHES up to a nominal amount of €200 million. In 2016, BNPP used such agreement to purchase €164 million outstanding CASHES, converted into Ageas shares.

On 8 July 2016, BNPP obtained a new agreement from the European Central Bank which superseded the prior agreement permitting it to purchase outstanding CASHES up to a nominal amount of €200 million. BNPP requested the cancellation of this agreement from the European Central Bank and the European Central Bank approved such cancellation in August 2017.

As at 30 September 2019, the subordinated liability is eligible to Tier 1 capital for €205 million (considering both the transitional period and the cancellation of the aforementioned agreement).

(6) Carrying amount of the CASHES, of which the amount eligible in prudential own funds was €205 million as of 31 December 2018 and €205 million as of 30 September 2019.

(7) Consists of numerous issuances by BNPP in various currencies (i) over the 2005-2009 period, of undated deeply subordinated non cumulative notes and (ii) since 2015, of perpetual fixed rate resettable additional tier 1 notes. The details of the debt instruments recognized as capital, as well as their characteristics, as required by Implementing Regulation No. 1423/2013, are available in the BNP Paribas Debt section of the Issuer's investor relations website at [www.invest.bnpparibas.com](http://www.invest.bnpparibas.com).

(8) At 30 September 2019, the Issuer's share capital stood at €2,499,597,122 divided into 1,249,798,561 shares with a par value of €2 each."; and

- (d) the paragraph under the heading "**18. Events impacting the solvency of BNPP**" on page 588 of the Base Prospectus is amended by the deletion of the words "30 June 2019" and their replacement with the words "30 September 2019".

## **RESPONSIBILITY STATEMENT**

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

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