This Base Prospectus is dated as of 19 December 2024

BANQUE INTERNATIONALE À LUXEMBOURG S.A.

(*Incorporated in Luxembourg*)

Issuance and Offering Programme

Under the terms of this base prospectus (the "**Base Prospectus**") for an Issuance and Offering Programme (the "**Programme**"), Banque Internationale à Luxembourg S.A., (the "**Issuer**" or "**BIL**") may issue structured products (the "**Structured Products**"), warrants (the "**Warrants**") and other debt instruments ("**Debt Instruments**" and together with the Structured Products and the Warrants the "**Products**") in the form as set out in this Base Prospectus, as further specified in the relevant final terms ("**Final Terms**") or pricing supplement ("**Pricing Supplement**" and together with the Final Terms, the "**Issue Terms**"), as applicable, prepared in respect of each Product.

This Base Prospectus, which may be supplemented from time to time, has been approved in Switzerland by SIX Exchange Regulation AG ("**SIX Exchange Regulation**") on 19 December 2024 in its capacity as Swiss Prospectus Office within the meaning of the Swiss Federal Act on Financial Services of 15 June 2018 ("**FinSA**") as base prospectus pursuant to Article 45 FinSA. If and to the extent the Products will be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA or if the Products shall be admitted to trading on a Swiss trading venue in the sense of the Swiss Federal Financial Market Infrastructure Act of 19 June 2015 ("**FMIA**"), e.g. on SIX Swiss Exchange AG ("**SIX Swiss Exchange**") and/or on BX Swiss AG ("**BX Swiss**"), a prospectus pursuant to Article 40 et seq. FinSA is required (the Products not falling into the scope of the requirement to be issued under a prospectus in the sense of the FinSA are hereinafter referred to as the "**FinSA Exempt Products**"). The requirement to prepare a FinSA compliant prospectus will be met by an issuance under Final Terms (i) prepared on the basis of the pro forma final terms pursuant to section VI (FORM OF FINAL TERMS AND PRICING SUPPLEMENT) of this Base Prospectus, provided they do not specify the Product as a FinSA Exempt Product, and (ii) registered with the Swiss Prospectus Office. The Products other than FinSA Exempt Products may be publicly offered under this Programme and the Final Terms pertaining to the Products in Switzerland in accordance with the requirements of the FinSA.

To the extent that Products are issued as FinSA Exempt Products, this base prospectus shall be deemed to be an "**Information Memorandum**", "**Offering Circular**" and/or "**Offering Memorandum**". Such Information Memorandum should be read and construed together with any amendments or supplements hereto and, in relation to any Products, should be read and construed together with the applicable Pricing Supplement.

The Structured Products may include certificates (the "**Certificates**"), notes (the "**Notes**"), reverse convertibles (the "**Reverse Convertibles**") or any other form of structured products based on any kind of

(or several) underlying(s), including but not limited to shares, depositary receipts, indices, currencies, interest rates, commodities and baskets thereof or a combination thereof.

The Products may consist of derivative components and do not qualify as units of a collective investment scheme according to the relevant provisions of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended, and are not registered thereunder. Therefore, the Products are neither governed by the CISA nor supervised by the Swiss Financial Market Supervisory Authority ("FINMA"). Accordingly, Investors do not have the benefit of the specific Investor protection provided under the CISA.

Unless specified otherwise, Investors are exposed to the credit risk of the Issuer of the Products. The Products constitute unsubordinated and unsecured obligations of the Issuer and rank *pari passu* with each and all other current and future unsubordinated and unsecured obligations of the Issuer. The insolvency of the Issuer may lead to a partial or total loss of the invested capital.

The Products will be issued based on (i) the information set out in this Base Prospectus, including the General Terms and Conditions, the Underlying Specific Conditions (collectively, the "**Terms and Conditions**"), as amended, and (ii) the Issue Terms (together with the Terms and Conditions, the "**Conditions**"). The Programme and the relevant Issue Terms shall form the entire documentation for each Product and should always be read in conjunction with each other. In case of inconsistencies between the Terms and Conditions and the Issue Terms, the Issue Terms shall prevail.

Where the Issuer, Calculation Agent or any other entity or person acting on behalf of the Issuer exercises a discretion according to the Conditions, it shall do so, unless specified otherwise or the context requires otherwise, (i) as regards Swiss Law Securities, in its duly exercised discretion (billiges Ermessen) and (ii) as regards Luxemburg Law Securities, in its reasonable discretion, each subject to any deviating (a) mandatory rules that apply by operation of law or (b) contractual provisions that are binding for the entity or person exercising the discretion.

This Base Prospectus has been prepared on the basis that an exemption from the requirement to publish a prospectus for offers of such Products applies (i) for any offer of Products in a Member State of the European Economic Area (each, a "**Relevant State**") on the basis of an exemption in the Regulation (EU) 2017/1129 (as amended) (the "**EU Prospectus Regulation**") and (ii) for any offer of Products in the United Kingdom on the basis of an exemption in the applicable UK prospectus regulation (the "**UK Prospectus Regulation**"). Accordingly, if Investors are making or intending to make an offer of Products subject to this Base Prospectus in any Relevant State or in the United Kingdom, Investors must only do so in circumstances where no obligation to publish a prospectus under the EU Prospectus Regulation or, in respect of offers in the United Kingdom, the UK Prospectus Regulation arises. The Issuer has not authorised and will not authorise any offer of Products which would require the Issuer or any other entity to publish a prospectus in respect of such offer.

Products issued pursuant to the Programme may be unlisted or an application may be made for Products to be listed on any stock exchange other than any stock exchange or market which constitutes a regulated market for the purposes of MiFID II/MiFIR. Investors (including potential Investors as defined in section "Risk Factors" hereafter) should ensure that they understand the nature of the relevant Products and the extent of their exposure to risks and they should also consider the suitability of the relevant Products as an investment in the light of their own circumstances and financial condition. Products involve a high degree of risk, including the risk of expiring worthless. Investors should be prepared in certain

circumstances to sustain a total loss of the capital invested. See section "Risk Factors" herein and any additional risk factors as set out in the relevant Issue Terms.

Lead Manager

Leonteq Securities AG

or

Banque Internationale à Luxembourg S.A.

The Products issued under this Programme may, for a period of 12 months from the date of this Programme, be admitted to listing, with the prior consent of the Issuer and/or the Lead Manager, on the official list of (1) SIX Swiss Exchange and/or (2) BX Swiss according to the listing rules of SIX Exchange Regulation and/or BX Swiss, as applicable, as supplemented by the relevant additional rules for the listing of derivatives or, as applicable, the additional rules for the listing of bonds. The Products may also be admitted to trading on any other stock exchange (or multilateral trading system).

If and to the extent the Products will be offered, sold or advertised, directly or indirectly to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") a key investor document (*Basisinformationsblatt*) pursuant to Article 58 et seq. of FinSA relating to the Products (a "**FinSA-KID**") would need to be prepared, unless the Retail Clients shall receive a key information document pursuant to the PRIIPs Regulation instead of a FinSA-KID.

Retail Clients are all clients other than professional clients (*professionelle Kunden*) and institutional clients (*institutionelle Kunden*), as defined in Article 4 para. 3, 4 and 5 and Article 5 para. 1 and 2 FinSA ("**Professional or Institutional Clients**"). Professional or Institutional Clients include: (a) financial intermediaries regulated pursuant to the Swiss Federal Banking Act of 8 November 1934, the Swiss Federal Financial Institutions Act of 15 June 2018 or the CISA; (b) regulated insurance undertakings pursuant to the Swiss Federal Insurance Supervision Act of 17 December 2004; (c) foreign financial intermediaries or insurance undertakings subject to a similar prudential supervision as the financial intermediaries or insurance undertakings pursuant to (a) and (b); (d) central banks; (e) public entities with professional treasury operations; (f) pension funds and occupational pension schemes with professional treasury operations; (g) undertakings with professional treasury operations; (h) large companies that exceed two of the following thresholds: (i) a balance sheet total of CHF 20 million, (ii) turnover of CHF 40 million, and (iii) own capital of CHF 2 million; (i) private investment structures for high-net worth individuals with professional treasury operations; and (j) Opting-out Clients.

An "**Opting-out Client**" (*vermögende Privatkundinnen und -kunden und für diese errichtete private Anlagestrukturen*) is a Retail Client who confirms (i) that, based on the education/professional experience or based on comparable experience in the financial sector, he/she/it has the necessary knowledge to understand the risks resulting from an investment in the Products and who owns, directly or indirectly, eligible financial assets of at least CHF 500,000, or (ii) that he/she/it owns, directly or indirectly, eligible financial assets of at least CHF 2 million.

No person is authorised to provide any information or to make any representation not contained in or not consistent with this Base Prospectus, the relevant Issue Terms or any other information supplied in connection with the Programme. Investors should not rely upon information or representations that have not been given or confirmed by the relevant Issuer, Lead Manager or Calculation Agent (as defined in the applicable Issue Terms).

The Issuer, the Lead Manager or any of their affiliates may hold, retain, buy or sell the Underlying (as defined in the General Terms and Conditions). They further may hold, retain, buy or sell the Products of each issue and/or enter into transactions relating thereto or derived therefrom, in such amounts, with such purchasers and/or counterparties and at such prices (including at different prices) and on such terms as any such entity may determine, be as part of its business activity and/or any hedging transactions as described in this Base Prospectus or for any other reason. There is no obligation upon the Issuer and/or the Lead Manager to sell all of the Products of any issue. The Products of any issue may be offered or sold in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer and/or the Lead Manager, as the case may be, subject as provided above.

Neither this Base Prospectus nor any other information supplied in connection with the Programme (i) is to be used as the basis of any credit assessment or other evaluation or (ii) is to be considered as a recommendation by the Issuer, the Lead Manager or the Calculation Agent that any recipient of this Base Prospectus (or any other information supplied in connection with the Programme) should purchase any Products. Each Investor contemplating the purchase of any Products should make his or her own independent enquiries regarding the financial condition and business development of the Issuer, and his or her own appraisal of their creditworthiness. Investors should also review, *inter alia*, the most recently published annual report and financial results of the Issuer when deciding whether to purchase any Products.

Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or an invitation by or on behalf of the Issuer, the Lead Manager or any person to subscribe for or to purchase any Products. The distribution of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Lead Manager does not undertake to review the financial condition or course of business of the Issuer during the life of the Programme.

In certain jurisdictions, the offering or sale of the Products may be restricted by law. Persons who obtain possession of, receive or have access to the Conditions must seek the relevant information to understand any such restrictions, as set out in more detail in the relevant Issue Terms, and they must not breach any such restrictions. The Conditions do not constitute, and may not be used for the purposes of, an offer or solicitation to subscribe for or to purchase any Product in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, the Conditions should not be used by anyone for this purpose.

During the term of the Products, the Conditions can be ordered free of charge from the Lead Manager.

Where the Lead Manager is specified as Leonteq Securities AG, at Europaallee 39, 8004 Zurich, Switzerland, via telephone +41 58 800 1111, fax +41 58 800 1010 or via e-mail termsheet@leonteq.com.

Where the Lead Manager is specified as Banque Internationale à Luxembourg S.A., at 69 Route d'Esch, 1470 Luxembourg, via telephone +352 4590 3332, fax +352 4590 2820 or via e-mail sp-team@bil.com.

CONSENT TO THE USE OF THE PROSPECTUS

Unless provided otherwise in the relevant Issue Terms, the Lead Manager any/or any financial intermediaries may use this Base Prospectus ("**General Consent**"). To the extent a specific consent is provided in the relevant Issue Terms ("**Individual Consent**"), only the Lead Manager and/or a financial intermediary specified in the Issue Terms may use this Base Prospectus.

If the Issuer has given its Individual Consent or General Consent to the use of this Base Prospectus, the following shall apply:

- This Base Prospectus may only be used during the one-year period in accordance with article 55 FinSA and provided that the Products are offered under this Base Prospectus pursuant to the applicable Issue Terms.
- The Issuer accepts responsibility for the information given in this Base Prospectus also with respect to such subsequent resale or final placement of the relevant Products for which it has given its Individual Consent or General Consent.
- The Base Prospectus may only be delivered to potential Investors together with all supplements thereto published before such delivery. Any supplement to this Base Prospectus is available for viewing in electronic form on the website www.bil.com or a successor or replacement address thereto notified by the Issuer to the Investors by way of publication on www.bil.com (or any successor website).

In the relevant Issue Terms, the Issuer can determine further conditions attached to its consent which are relevant for the use of this Base Prospectus.

When using this Base Prospectus, the Lead Manager and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in Switzerland and in any other relevant jurisdiction.

In the event of an offer being made by the Lead Manager and/or a further financial intermediary, the Lead Manager and/or the further financial intermediary shall provide information to Investors on the terms and conditions of the offer at the time of that offer.

In case the Issuer has given its Individual Consent to the use of this Base Prospectus any new information with respect to any financial intermediaries unknown at the date of this Base Prospectus or the time the relevant Issue Terms were deposited with SIX Exchange Regulation in its capacity as Swiss Prospectus Office will be published on the website specified in the Issue Terms.

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I. SUMMARY

*Certain capitalised terms used in this section (the "**Summary**") are defined in the Terms and Conditions and/or the relevant Issue Terms.*

1. Introduction

This Summary is intended as an introduction to the Programme (as supplemented from time to time) of Banque Internationale à Luxembourg S.A. prepared in relation to the Products.

Investors should ensure that any decision to invest in the Products is based on a review of the entire Programme, including documents incorporated by reference, any supplements, and the Issue Terms.

Banque Internationale à Luxembourg S.A.'s liability in respect of this Summary is limited to statements that are misleading, inaccurate or inconsistent when read together with the other parts of the Programme and the Issue Terms.

2. Issuer

The Issuer is Banque Internationale à Luxembourg S.A, a public limited liability company (*société anonyme*), governed by Luxembourg law registered in the Luxembourg Register of Commerce and Companies (*Registre de commerce et des sociétés, Luxembourg*) under number B.6307.

The registered office of Banque Internationale à Luxembourg S.A. is at 69, route d'Esch, L-2953 Luxembourg, Grand Duchy of Luxembourg.

3. Products

3.1 Product Description

The Products comprise the categories as listed below, as defined in the "SSPA Swiss Derivatives Map 2024" issued by the Swiss Structured Products Association SSPA (see https://www.sspa.ch/en for further information).

The categories listed below have been included for illustration purposes only and the specific Terms and Conditions of the Products may differ from such description.

Capital Protection Products (SSPA Category 11)

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

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

Yield Enhancement Products (SSPA Category 12)

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

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)

- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Conditional Coupon Reverse Convertible (SSPA Category 1255)
- Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Participation Products (SSPA Category 13)

The product category "Participation Products" includes the following product types:

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

Investment Products with Additional Credit Risk (SSPA Category 14)

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

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

Leverage Products (SSPA Category 20)

The product category "Leverage Products" includes the following product types:

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

In addition, the Programme relates to any other products as defined in the applicable Issue Terms, such as "Actively Managed Certificates" and Debt Instruments.

3.2 Applicable law

The form and content of the Products and all rights and obligations of the Issuer and of the Investors will be governed by, and construed in all respects in accordance with, the laws of Switzerland, or as otherwise specified in the applicable Issue Terms.

3.3 Status of the Products

(i) *Ranking*

The Products constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Products shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer present and future, except for those obligations that are mandatorily preferred by law, including by operation of bankruptcy, insolvency, liquidation or similar laws of general application.

(ii) *Recognition of the Write-down and Conversion Powers*

Subject to the application of the Luxembourg Resolution Law and the SRM Regulation, notwithstanding and to the exclusion of any other term of the Products or any other agreements, arrangements, or understanding between the Issuer and any holder, by its acquisition of the Product, each holder (which, for the purposes of this clause, includes each holder of a beneficial interest in the Products) acknowledges and accepts that any amount due arising under the Products may be subject to the exercise of any write-down or conversion powers in accordance with article 48 of the BRRD and article 49 of the Luxembourg Resolution Law, and acknowledges, accepts, consents and agrees to be bound by:

a. the effect of the exercise of any write-down or conversion powers by the relevant resolution authority, which exercise may include and result in any of the following, or some combination thereof:

   (A) the reduction or cancellation of all, or a portion, of the amounts due;

   (B) the conversion of all, or a portion, of the amounts due on the Products into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Products;

   (C) the cancellation of the Products; and

   (D) the amendment or alteration of the provisions of the Products by which the Products have no maturity or the amendment of the amount of interest payable on the Products, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

b. the variation of the terms of the Products, as deemed necessary by the relevant resolution authority, to give effect to the exercise of any write-down or conversion powers by the relevant resolution authority.

Each Investor (including each holder of a beneficial interest in the Products) acknowledges, accepts, consents and agrees to the relevant write-down, conversion, stay and other powers as specified in General Conditions 39 (Recognition of Bail-in) and 40 (Recognition of Stay In Resolution).

(iii) *No Security*

The Products are not secured or subject to a guarantee that enhances the seniority of the claims of their holders. For that purpose, no security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the holders of the Products.

4. Terms of the Products

The key information relating to a Product and specific terms and conditions of a Product as well as information regarding the public offer and admission to trading of a Product are set out in the relevant Issue Terms which supplement the information comprised in this Base Prospectus. Consequently, the Base Prospectus and the relevant Issue Terms shall form the entire documentation for each Product and should always be read in conjunction with each other. In case of inconsistencies between the Terms and Conditions and the Issue Terms, the Issue Terms shall prevail.

5. Approval of this Base Prospectus and availability of the Issue Terms

SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA has approved this Base Prospectus, dated 19 December 2024, as of 19 December 2024 as a base prospectus pursuant to Article 45 FinSA.

Except for in relation to FinSA Exempt Products, the Issuer undertakes to deposit any Final Terms as soon as in final form and in any case prior to the admission to trading of a Product, if relevant, with SIX Exchange Regulation in its capacity as Swiss Prospectus Office.

The Programme and, except for in relation to FinSA Exempt Products, the Final Terms will be published on the website of the Lead Manager and / or the Issuer and / or Leonteq Securities AG and may be requested from the Lead Manager in paper form free of charge by email termsheet@leonteq.com or by phone +41 58 800 1111 where the Lead Manager is Leonteq Securities AG, or by email sp-team@bil.com or phone +352 4590 3332 where the Lead Manager is Banque Internationale à Luxembourg S.A.

II. RISK FACTORS

Certain capitalised terms used in this section are defined in the Terms and Conditions and/or the relevant Issue Terms.

*An investment in the Products involves certain risks. If one or more of the risks described below occur, Investors (the "**Investors**") in the Products may incur a partial or even a total loss of their invested capital. Any potential Investors (the "**Potential Investors**") should therefore consider the following factors addressed to Investors and have a thorough understanding of the mechanics of the relevant Products prior to investing in and/or while holding the Products. Therefore, the term "Investor" includes, as the case may be, actual Investors and/or Potential Investors.*

*Investment decisions should **not** be made solely on the basis of the risk warnings set out in the Conditions, since such information cannot serve as a substitute for individual advice and information which is tailored to the requirements, objectives, experience, knowledge and circumstances of each Investor.*

1. Risk Warning

Investors may lose some or all of their investment in the Products where:

- Minimum scheduled repayment amount less than invested amount: The terms of the Product may not provide for scheduled minimum payment of the Denomination or Issue Price of the Products at maturity (or, if applicable, across the partial redemption dates and at maturity). Depending on the performance of the Underlying(s), Investors may lose some or all of their investment.

- Credit risk of the Issuer: The payment of any amount or delivery of any Underlying(s) due under the Products is dependent upon the Issuer's ability to fulfil its obligations when they fall due. The Products are unsecured obligations of the issuer. The Products are not deposits and they are not protected under any deposit protection insurance scheme. Therefore, if the Issuer fails or is otherwise unable to meet its payment or delivery obligations under the Products, Investors will lose some or all of their investment.

- Other circumstances:

    - The market price of the Products prior to maturity may be significantly lower than the purchase price Investors paid for them. Consequently, if Investors sell their Products before their scheduled maturity (assuming Investors are able to), they may receive less (and potentially substantially less) than their investment.

    - The Products may be redeemed in certain extraordinary circumstances prior to their scheduled maturity and, in such case, the early redemption amount paid to Investors may be less than their investment.

    - The terms and conditions of the Products may be adjusted by the Issuer and/or Calculation Agent in certain circumstances with the effect that the amount payable or Underlying(s) deliverable to Investors is less than their investment.

2. General Risk Factors

2.1 Advice from the Investors' Principal Bank

This information is not intended to replace the advice Investors should always obtain from their respective principal bank or any other financial advisor before making an investment decision with regards to the Products. Only Investors who are fully aware of the risks associated with investing in the Products and who are financially able to bear any losses that may arise, should consider engaging in transactions of this type.

2.2 Buying Products on Credit

Investors financing the purchase of Products with loans should note that, should their expectations fail to materialise, they would not only have to bear the loss resulting from the investment in the Products, but also have to pay interest on the loan as well as repay the principal amount. It is therefore imperative that Investors verify their financial resources in advance in order to determine whether they would be able to pay the interest and repay the loan at short notice should they incur losses instead of realising the anticipated profit.

2.3 Independent Review and Advice

Prior to entering into a transaction, Investors should consult their own legal, regulatory, tax, financial and accounting advisors, as far as they consider necessary, and make their own investment, hedging, and trading decisions (including decisions regarding the suitability of an investment in the Products) based upon their own independent review and assessment and advice taken from those advisers they consider necessary.

Furthermore, Investors should conduct such independent investigation and analysis regarding the Issuer and all other relevant persons or entities and such market and economic factors as they deem appropriate to evaluate the merits and risks of the investment in the Products. As part of such independent investigation and analysis, Investors should consider carefully all the information set forth in the Conditions.

Investment in the Products may involve a loss of the capital invested by virtue of the terms and conditions of the Products even where there is no default or insolvency of the Issuer. Investors will at all times be solely responsible for making their own independent appraisal of, and investigation into, the business, financial condition, prospects and creditworthiness, status, and course of business of the Issuer. None of the Issuer, the Lead Manager, the Paying Agent, the Calculation Agent or any other agent or affiliate of the aforementioned (or any person or entity on their behalf) will have responsibility or duty to make investigations, to review matters or to provide the Investors with advice in relation to accompanying risks.

2.4 Investor Suitability

Purchase of the Products involves substantial risks. Investors should be familiar with financial instruments having the characteristics of the Products and should fully understand the terms and conditions set out in the Conditions and the nature and extent of their exposure to risk of loss.

In addition, Investors must evaluate, based on their own independent review and any legal, business, tax and other advice as they deem necessary under the circumstances, that the acquisition of the Products (i) is fully consistent with their financial needs, objectives, and conditions, (ii) complies and

is fully consistent with all corporate law documents, investment policies, guidelines, authorisations and restrictions (including in terms of their capacity) applicable to them, (iii) has been duly approved in accordance with all applicable laws and procedures and (iv) is an adequate, reasonable and suitable investment for them.

2.5 Taxation at Source, Changes in Tax Law and Tax Call

In the event that any amounts, such as taxes, are required to be withheld or deducted for, or on behalf of, the Issuer, the Issuer may deduct such withheld amounts from the original payment to the Investor and the Issuer is not required to pay additional amounts to cover the amounts so withheld or deducted, i.e. the Investor cannot expect to receive any such withheld amounts or any such additional amounts.

The tax considerations contained in the Conditions reflect the view of the Issuer based on the legislation applicable at the date of the issuance of the Conditions. It cannot, however, be ruled out that the tax treatment by the tax authorities and courts in any relevant jurisdiction could be interpreted differently or could be subject to changes in the future. Additionally, the tax considerations contained herein may not be used as the sole basis for the decision to invest in the Products from a tax perspective, since the individual situation of each Investor must also be taken into account. Thus, the considerations regarding taxation contained in the Conditions do not constitute any sort of material information or tax advice nor are they in any way to be construed as a representation or warranty with respect to specific tax consequences.

In accordance with the Terms and Conditions, the Issuer may redeem all outstanding Products early, *inter alia*, for tax reasons (a "**Tax Call**"). Accordingly, Investors should consult their personal tax advisors before making any decision to purchase the Products and must be aware of and be prepared to bear the risk of a potential early redemption due to tax reasons. The Issuer and/or the Lead Manager and their affiliates do not accept any liability for adverse tax consequences of an investment in the Products.

2.6 Effect of Ancillary Costs

Commissions and other transaction costs incurred in connection with the purchase or sale of Products may result in charges, particularly in combination with a low order value, which can substantially reduce any redemption amount. Before acquiring Products, Investors should therefore inform themselves of all costs incurred with the purchase or sale of the Product, including any costs charged by their custodian bank upon purchase and redemption of the Products.

2.7 No Reliance

The Issuer and/or the Lead Manager and/or all of their affiliates, respectively, disclaim any responsibility to advise Investors of the risks and investment considerations associated with the purchase of the Products as they may exist at the date hereof or hereafter.

2.8 Legality of Purchase

The Issuer and/or the Lead Manager and their affiliates have (and assume) no responsibility for (i) the lawfulness of the acquisition of the Products by Investors or for (ii) the compliance by Investors with any law, regulation or regulatory policy applicable to them.

2.9 Extension or shortening of Subscription Period; Refusal of Subscriptions

The Issue Terms may provide for the Products to be offered during a particular subscription period. Investors should note in this case that the Issuer reserves the right to end the subscription period early or to extend it. In the case of an early ending or an extension of the subscription period, the initial fixing date or any other relevant valuation date, as the case may be, which determines certain characteristics of the Products, may be adjusted along with the Issue Date. The Issuer is not obliged to accept subscription applications. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products. For these reasons, Investors in Products subject to a public offering may receive a Product with different valuation dates than expected and may not receive the Product at all.

2.10 Transaction Costs

Commission and other transaction costs which are incurred when buying or selling Products may, particularly in connection with a low contract value, result in cost burdens which may reduce the returns on a Product. Therefore, before purchasing a Product, Investors should obtain information regarding all costs arising when purchasing and selling the Product.

2.11 Forward-Looking Statements

This Base Prospectus (including any information incorporated by reference herein) may contain forward-looking statements. The Issuer may also make forward-looking statements in the Issue Terms, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Issuer'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 the Issuer has no obligation to update publicly any of them in light of new information or future events.

3. Market Risk Factors

3.1 General Market Risks

The Issuer is exposed to market risk, which is the risk of losses resulting from adverse movements in the market prices or model prices of financial instruments. The Issuer distinguishes between the following seven types of market risk:

- Commodity risk, i.e., the risk of adverse movements in commodity prices and related derivatives;
- Credit spread risk, i.e., the risk of adverse movements in credit spreads and related credit spread sensitive financial instruments;
- Crypto-asset risk, i.e., the risk of adverse movements in crypto-asset prices and related derivative instruments;
- Equity risk , i.e., the risk of adverse movements in share and fund prices and related derivatives;
- Foreign exchange risk, i.e., the risk of adverse movements in currency exchange rates and related derivative instruments;

- Interest rate risk, i.e., the risk of adverse movements in the yield curve and corresponding movements in the valuation of interest rate sensitive financial instruments ; and
- Precious metal risk, i.e., the risk of adverse movements in precious metal prices and related derivatives.

The Issuer's market risk arises primarily from the issuance of structured investment products and the related hedging activity. Any risk mitigation strategies of the Issuer are subject to the risk that the hedge instrument(s) and the position being hedged may not always move in parallel.

Interest rate risks and foreign exchange risks may also arise in the normal course of the Issuer's business.

The realisation of market risks may have a material adverse effect on the financial condition of the Issuer.

3.2 No Liquidity or lack of Secondary Market in the Products

The Products will have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid and Investors may not be able to find a buyer. Restrictions in respect of the purchase and/or sale of the Products in some jurisdictions may also have an impact on the liquidity of the Products. As a result, Investors may not be able to sell their Products or, if they can, they may only be able to sell them at a price which is substantially less than the original purchase price. Therefore, the Investors should be prepared to hold the Products until their scheduled maturity.

The Products may be listed on an Exchange (or multilateral trading system) but, in such case, the fact that such Products are listed will not necessarily lead to greater liquidity. If the Products are not listed or traded on any Exchange, pricing information regarding the Products may be more difficult to obtain and the liquidity of the Products may be adversely affected. The liquidity of the Products may also be affected by restrictions on the purchase and sale of the Products in certain jurisdictions.

The Issuer and/or the Lead Manager or any third party appointed by the Issuer, as applicable, may (if specified in the Issue Terms), under normal market conditions, provide bid and/or offer prices for the Products on a regular basis. However, the Issuer or the Lead Manager, as applicable, make in no case a commitment to make a market or to repurchase the Products (e.g. by providing liquidity by means of bid and offer prices for the Products), and assume no legal obligation to quote any such prices or with respect to the level or determination of such prices. Additionally, the Issuer has the right (but no obligation) to purchase Products at any time and at any price in the open market or by tender or private agreement. Any Products so purchased may be held or resold or surrendered for cancellation.

Investors in Products listed on the SIX Swiss Exchange and/or BX Swiss should be aware that such exchanges generally do not require a mandatory market making for listed Products. Limited exemptions apply, for example to actively managed certificates, as required by the relevant regulations of the Exchange. Subject to these exemptions, any of the Issuer and/or the Lead Manager or any third party appointed by the Issuer may suspend or terminate making a market and providing indicative prices without notice, at any time and for any reason. Investors therefore cannot rely on the ability to sell Products at a specific time or at a specific price even if the Products are listed or traded on an Exchange.

Any secondary market prices of the Products will likely be lower than the original Issue Price of the Products because, among other things, secondary market prices will likely be reduced by selling commissions, profits and hedging and other costs that are accounted for in the original Issue Price of the Products. As a result, the price, if any, at which the Lead Manager or any other person would be willing to purchase the Products in secondary market transactions, if at all, is likely to be lower than the original Issue Price. Accordingly, any sale of the Product by an Investor prior to the scheduled redemption date could result in a substantial loss to the Investor.

If listed, the Products can be traded on an Exchange during their term. However, the price of the Products is not determined according to supply and demand, since – if there is a secondary market – it will likely be provided by a market maker (e.g. potentially the Lead Manager or a third party, as the case may be, in such role). Any such market maker will quote independently calculated bid and offer prices for the Products on the secondary market. This price calculation is performed on the basis of customary pricing models of the market maker in which the theoretical value of the Product may be determined on the basis of the value of the Underlying(s) and other adjustable parameters. The other parameters may include derivative components, expected income from the Underlying(s) (e.g. dividends), interest rates, the term or remaining term of the Product, the volatility of the Underlying(s) and the supply and demand situation for hedging instruments. These or other value-determining parameters may lead to a depreciation in value of the Product, even if during the term the Underlying(s) develop favourably for the Investor.

Also, in special market situations, e.g. where the Issuer and/or the Lead Manager is/are unable to enter into hedging transactions or where such transactions are very difficult to enter into, the spread between the bid and offer prices may be temporarily expanded in order to limit the economic risks of the Issuer and/or the Lead Manager.

3.3 Illiquidity of the Underlying(s)

In accordance with the Terms and Conditions, the Calculation Agent may determine, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, that an Underlying is illiquid at a relevant time. Underlying Illiquidity might lead to a larger bid/offer spread for the Product, for an extended time period for buying and/or selling the Underlying respectively to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s), as well as to a postponed redemption and a modified redemption amount, a postponed fixing and/or redemption. Thus, any such determination may have an adverse effect on the market value of the Products. In some circumstances, the illiquidity of the Underlying(s) may lead to the Issuer terminating the Product before the scheduled maturity (as further detailed in Section 4.3 (Early Termination and Notice of Products in accordance with General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value) and upon certain events as well as Reinvestment Risk) and General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value)).

3.4 Hedging Activity relating to the Underlying

The Hedging Entity shall execute its trading and hedging activities (including unwinding and termination of already executed hedging transaction) on a best efforts basis, taking into account the

possibility of unduly affecting the market and consequently to limit its activities related to the Underlying. To minimise the market impact, the Hedging Entity is entitled to suspend or to entirely cease its trading activities related to an Underlying.

This market conduct of the Hedging Entity, as well as the limitation of its trading and/or hedging activities related to the Underlying, may impact the Product negatively, in particular it may lead to

- an occurrence or non-occurrence of a barrier event;
- an extended bid-ask spread;
- an occurrence of a stop loss event, which can impact the liquidation price negatively, which under extraordinary conditions can be zero.

Investors should consider that the market conduct of the Hedging Entity respectively the limitations of its trading activities can furthermore negatively impact the redemption amount or the liquidation price of the Product.

3.5 Expansion of the Spread between Bid and Offer Prices

In special market situations, where the Issuer and/or the Lead Manager is/are unable to enter into hedging transactions or, where such transactions are very difficult to enter into, the spread between the bid and offer prices may be temporarily expanded in order to limit the economic risks of the Issuer and/or the Lead Manager.

3.6 Emerging Markets

Investments in emerging markets should only be made by Investors who have a sound knowledge of these markets, who are well aware of and are able to weigh the diverse risks (*inter alia* political, social, and economic risks, currency, liquidity and settlement risks, regulatory and legal risks) involved and who have sufficient financial resources to bear the substantial risks associated with such investments.

3.7 Risk Factors associated with Currency Exchange Rates

An investment in the Products may be affected by the exchange rate risk of the relevant currencies in which the Products are denominated and in which the Underlying is traded or evaluated. For example (i) the Underlying(s) may be denominated in a currency other than that of the Products, (ii) the Products may be denominated in a currency other than the currency of the Investor's home jurisdiction and/or (iii) the Products may be denominated in a currency other than the currency in which an Investor wishes to receive funds.

Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value, regardless of other market forces.

If the Investor's right vested in the Products is determined on the basis of a currency other than the Settlement Currency, or if the value of the Underlying is determined in a currency other than the Settlement Currency, Investors should be aware that investments in these Products could entail risks due to fluctuating exchange rates and that the risk of loss does not depend solely on the performance of the Underlying or other variables such as interest rates, but also on unfavourable developments in the value of any currency involved. Investors should be aware that the above-

mentioned risks may arise at any time during the life of the Product if the currency of the Product and/or of the Underlying will be replaced by a different or a new currency.

3.8 Risk Factors associated with sanctions

The Products may be affected by sanctions programs applicable to and/or to be adhered to by the Lead Manager or the Issuer, or implemented by the Lead Manager or the Issuer which may affect the Issuer or the Lead Manager's ability to comply with the terms of the Products, including the ability to make payments and/or redeem Products. Such sanctions may have negative adverse effects on the Products and may, without limitation, result in Market Disruption Events, FX Disruption Events, a Settlement Disruption, a Payment Disruption, any adjustment of the terms of the Products and/or an early termination of the Products pursuant to General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

3.9 Risk Factors associated with Inflation

The Products may be affected by the impact of inflation and the measures taken by central banks to keep inflation within certain limits. In particular, inflation may cause central banks to raise reference interest rates which may, *inter alia*, affect the costs of debt capital, the discount rates applied to value expected future profits and the market value of instruments with fixed coupons, and, thus, may have a negative impact on asset prices and a decline in purchasing power of the relevant currencies. Such price developments may have negative adverse effects on the Products that are using such assets as underlyings. Also, any Product with a capital protection or guarantee do not protect Investors against the impact of inflation on such Products. The impact of inflation is depending to a great extent on the relevant currency in which the Products are denominated.

4. Risk Factors relating to the Products

4.1 Risk-hedging Transactions

The ability to eliminate or to restrict the initial risks of the Products arising from their purchase by concluding any hedging transactions during their lifetime depends mainly on the market conditions and the terms of the specific Product. As a consequence, such transactions may be concluded at unfavourable market prices to the effect that corresponding losses may arise.

Investors should therefore not rely on the ability to enter into transactions at any time during the term of the Products that will allow them to offset or limit relevant risks.

4.2 Risks related to the Fair Market Value and the Unscheduled Early Redemption Amount

The Fair Market Value and the Unscheduled Early Redemption Amount is determined by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion and may be less than the initial investment, the last available bid and/or offer prices and/or other price information provided on a secondary market, if any, regarding the Product and may be zero in the worst case, i.e. the Investor may suffer a total loss of the capital invested.

4.3 Early Termination and Notice of Products in accordance with General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value) and upon certain events as well as Reinvestment Risk

Following certain events (as defined in the General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value)), the Issuer has the right to terminate early the Products issued under this Base Prospectus. In the case of such a termination the Issuer will, if and to the extent permitted by applicable law, pay an amount determined by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, in any case taking into account established market practice, if any. This amount is representing the Fair Market Value of such Products immediately prior to such termination (notwithstanding any illegality or impossibility). Instead of paying a cash amount corresponding to the Fair Market Value of a Product, the Issuer may – in respect of Swiss Law Products in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion – deliver the Underlying of such Product.

Furthermore, an early termination may for example occur if an adjustment is not possible upon occurrence of a Potential Adjustment Event, an Extraordinary Event or an Additional Disruption Event. In such case, the Issuer will redeem the Products at the Unscheduled Early Redemption Amount, i.e., in the event of an unscheduled early redemption there will be no right to payment of any amount provided for in the terms and conditions of the Products to be calculated on the basis of a redemption formula at the end of the term. Investors should note that, such amount may be zero in the worst case, i.e., the Investor may suffer a total loss of the capital invested.

Investors should be aware that a cash amount corresponding to the Fair Market Value or the Unscheduled Early Redemption Amount may be less than the initial investment. Where the Issuer delivers the Underlying of a Product, instead of paying the redemption amount, the Investor will not receive a redemption amount. The Investor will therefore be exposed to the risk associated with such Underlying. The Investor should not assume that it will be able to sell such Underlying for a specific price after the redemption of the Products, in particular not the same amount paid to purchase the Products. Any early termination of Products may, therefore, result in a partial or total loss of the invested capital. Investors bear the risk that their expectations with respect to a potential increase in the value of a Product over its scheduled term will not be realised due to the early termination of the Product.

Investors should also be aware that following any early redemption of the Products, they may not be able to reinvest the redemption proceeds or may only be able to do so on less favourable terms. Investors should consider reinvestment risk in light of other investments available at that time.

4.4 Market Disruption Events

In accordance with the Terms and Conditions, the Calculation Agent may determine, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, that a Market Disruption Event has occurred or exists at a relevant time. Such an event could lead to the postponement of a date on which the Calculation Agent is to establish a valuation of the Underlying and in certain circumstances lead to the Calculation Agent estimate the relevant price or level of such Underlying and/or to a corresponding

delay in the settlement of the Products. No interest shall be payable in respect of any such postponement of the settlement of the Products.

Any such determination may have an adverse effect on the market value of the Products, which may result in a partial or total loss of the invested capital.

In the event of adjustments relating to the Underlying(s), it is possible that the estimates and/or assumptions on which an adjustment was based turn out to be incorrect and that the adjustment turns out to be unfavourable for the Investor and that the adjustment has a negative impact on the value of or return on the Product.

4.5 Risks relating to certain features of the Products

Leverage Feature

'Leverage' refers to the use of financial techniques to gain additional exposure to the Underlying(s). A leverage feature will magnify the impact of the performance of the Underlying(s) to cause a greater or lower return on the Product than would otherwise be the case in the absence of leverage. As such, a leverage feature magnifies losses in adverse market conditions. In the terms of the Products, the leverage feature may be referred to variously as 'Participation', or other term and the Products will have 'leverage' where any of these factors is equal to more than 100 per cent (or 1.00). The inclusion of such a leverage feature in the Products means that the Products will be more speculative and riskier than in the absence of such feature, since smaller changes in the performance of the Underlying(s) can reduce (or increase) the return on the Products by more than if the Products did not contain a leverage feature. Investors should be aware that a small movement in the value of the Underlying(s) can have a significant effect on the value of the Products. Products with a leverage feature are more likely to fall for automatic cancellation in accordance with their terms below. In such event, Investors may lose some or all of their investment.

Worst Performing Underlying

Where the Issue Terms of the Products include a 'worst-of' feature, Investors will be exposed to the performance of the Underlying which has the worst performance, rather than the Product as a whole.

This means that, regardless of how the other Underlying(s) perform, if the worst performing Underlying in the basket fails to meet a relevant threshold or barrier for the payment of interest or the calculation of any redemption amount, Investors might receive no interest payments or return on their initial investment and they could lose some or all of their investment.

Products with a cap

Where the Issue Terms of the Products provide that the amount payable or Underlying(s) deliverable is subject to a pre-defined cap, the Investor's ability to participate in any positive change in the value of the Underlying(s) will be limited, no matter how much the level, price or other value of the Underlying(s) rises above the cap level over the life of the Products. Accordingly, the value of or return on the Products may be significantly less than if the Investor had purchased the Underlying(s) directly.

Products with a 'conditional' feature

If the Issue Terms of the Products include a 'conditional' feature, then coupon will only be paid if the level, price or other applicable value of the Underlying(s) on the relevant valuation date(s) either reaches or crosses one or more specific barrier(s). It is possible that such level, price or other applicable value of the Underlying(s) on the relevant valuation date(s) will not either reach or cross the barrier(s) (as applicable), and therefore, no coupon will be payable on the relevant coupon payment date. This means that the amount of coupon payable to an Investor over the term of the Products will vary and may be zero.

Products with a 'memory coupon' features

If the Issue Terms of the Products include a 'memory coupon' feature, the payment of coupon will be conditional on the value or performance of the Underlying(s). The coupon amount payable will be zero on a coupon payment date if the Underlying(s) does not perform in accordance with the terms of the Products although such payment will be deferred to the next coupon payment date. If the Underlying(s) meets the performance criteria, the coupon payable will be an amount for the current coupon payment date plus any amounts deferred from previous coupon payment dates where coupon was not paid. Investors will not be paid any coupon or other allowance for the deferred payments of coupon and it is possible that the Underlying(s) never meets the performance criteria, meaning that Investors will not receive any coupon at all for the lifetime of the Products.

Open-ended Products

If the Products are 'open-ended' - meaning that they do not provide for an expiration date or maturity date but may continue indefinitely until either the Investor exercises its right to put the Products or the Issuer exercises its right to call/terminate the Products – the Investor is subject to certain risks, including:

- The yields received upon cancellation following a call/termination by the Issuer or the Investor's exercise of the Investor termination right may be lower than expected, and the amount received by the Investor may be lower than the initial price the Investor paid for the Products and may be zero; and
- The terms and conditions of the Products may provide that the Products will automatically be redeemed early in certain extraordinary circumstances, see Risk Factor 4.3 (Early Termination and Notice of Products in accordance with General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value) and upon certain events as well as Reinvestment Risk).

Issuer and Investor Termination Right

Where the terms and conditions of the relevant Product provides an Issuer and/or Investor termination right to be applicable, the yields received upon cancellation following an exercise of such termination right may be lower than expected, and the amount received by the Investor may be lower than the initial price the Investor paid for the Products and may be zero.

Products with a 'barrier' feature

If the calculation of coupon or the calculation of any redemption amount depends on the level, value or price of the Underlying(s) reaching or crossing a 'barrier' during a specified period or specified dates during the term of the Products, such coupon or redemption amount may alter dramatically depending on whether the barrier is reached or crossed (as applicable). This means that the Investor may receive less (or, in certain cases, more) if the level, value or price of the Underlying(s) crosses or reaches (as applicable) a barrier, than if it comes close to the barrier but does not reach or cross it (as applicable), and in certain cases the Investor might receive no interest payments and/or could lose some or all of its investment.

Redemption of the Products depending only on the final performance

If the Final Terms of the Products determine the redemption amount based on the performance of the Underlying(s) as at the final valuation date only (rather than in respect of multiple periods throughout the term of the Products) then the Investor may not benefit from any movement in level, value or price of the Underlying(s) during the term of the Products that is not reflected in the final performance.

Products linked to a basket of Underlyings

Where Products are linked to a basket of Underlying(s), Investors may be exposed to the performance of each Underlying in the basket and Investors should refer to the relevant risk factors in the section relating to each of the asset classes represented. Investors should also consider the level of interdependence or 'correlation' between each of the basket constituents with respect to the performance of the basket. If the Underlying(s) are correlated, the performance of the Underlying(s) in the basket can be expected to move in the same direction (and vice versa) and Investors should consider the impact of this 'correlation' on the performance of the Products.

Investors should be aware that the performance of a basket with fewer constituents will be more affected by changes in the values of any particular basket constituent than a basket with a greater number of basket constituents.

The performance of basket constituents may be moderated or offset by one another. This means that, even in the case of a positive performance of one or more constituents, the performance of the basket as a whole may be negative if the performance of the other constituents is negative to a greater extent.

If the Underlyings in the basket have different weights, Investors should consider that the lower the weighting of the Underlying, the lower the impact of the performance of such Underlying on the performance of the entire basket.

Delivery of Underlying(s) at maturity

To the extent that "Delivery of Underlying" is provided for in the relevant Issue Terms the delivery of the relevant Underlying may be made instead of the payment of a monetary amount unless the delivery of the relevant Underlying does not meet any applicable legal and regulatory requirements and/or any applicable selling restrictions set out in the terms of the relevant Underlying.. In such case, since Investors will be exposed to the specific issuer and securities risks associated with the relevant Underlying to be delivered, when purchasing the Products Investors should consider all Underlyings which could potentially be delivered. Investors should not assume that the Underlying to be delivered after redemption of the Products can be sold at a specific price, in particular not at

a price equivalent to the capital used to purchase the Products. In certain circumstances the delivered underlying may only have a very low value or may in fact be worthless. In this case, Investors run the risk of losing all of their capital used to purchase the Products.

Investors should note that any fluctuations in the price of the Underlying between the Expiration Date of the Product and the delivery of the Underlying on the Redemption Date need to be borne by the Investors. Losses in the value of the Underlying can therefore still occur after the corresponding Expiration Date and are to be borne by the Investors.

If the Underlying to be delivered is a registered share, Investors should consider that the rights associated with the shares (e.g. participation in the general meeting, exercise of voting rights, etc.) can generally only be exercised by shareholders who are registered in the share register or a comparable official list of shareholders of the company. The obligation of the Issuer to deliver shares is limited to provision of the shares effected with the characteristics and in the form that allow delivery via an exchange and does not cover registration in the share register or list of shareholders. Any claims due to non-fulfilment, in particular rescission or damage claims, are excluded in such cases.

Further, if delivery of the Underlying is – as determined by the Issuer in its discretion – either from a legal, regulatory and/or Underlying's terms point of view (including, in particular, any reason to this effect lying within the sphere of the Investor, such as any applicable selling restrictions prohibiting the delivery of the Underlying to the Investor) or economically or actually impeded or not possible, the Issuer shall have the right to pay a compensation amount in lieu of delivery of the Underlying.

Products with an 'autocall' feature

Where the Issue Terms of the Products include an 'autocall' feature, it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the terms and conditions has occurred on an Autocall Observation Date. If such event occurs, the term of the Products ends early and the Products are redeemed early in accordance with the terms and conditions. In the case of such early redemption, the future price performance of the Underlying(s) is irrelevant to the Investor.

4.6 Investing in the Products does not correspond to a direct investment in the Underlying

Investors should be aware that the market value of the Products may not have a direct relationship with the prevailing price of the Underlying and changes in the prevailing price of the Underlying will not necessarily result in a comparable change in the market value of the Product(s).

The Investors will not have voting rights or rights to receive dividends, interest, or other distributions, as applicable, or any other rights with respect to any share as Underlying. The responsibility for registration of any shares delivered to the Investor, where applicable, is borne by the Investor if "Delivery of Underlying" is provided in the relevant Issue Terms and if the shares are delivered.

4.7 Factors affecting Market Value

The market value of a Product is determined not only by changes in the price of the Underlying but also by a number of other factors. Since several risk factors may have simultaneous effects on the Products, the effect of a particular risk factor cannot be predicted. In addition, several risk factors may have a compounding effect which may not be predictable. No assurance can be given with

regard to the effect that any combination of risk factors may have upon the market value of the Products.

These factors include, *inter alia*, the terms of the specific Product, the frequency and intensity of price fluctuations (volatility) in the Underlying, as well as the prevailing interest rate and the creditworthiness of the Issuer, which may change during the lifetime of the Product. A decline in the market value of the Product may therefore occur even if the price or level, as the case may be, of the Underlying remains constant or increases, depending on the product type.

Investors should be aware that an investment in the Products involves a valuation risk with regard to the Underlying. They should have experience with transactions in Products whose value is derived from an Underlying. The value of an Underlying may increase or decrease over time by reference to a variety of factors which may include corporate actions, macro-economic factors and speculation. If the Underlying is a basket comprised of various assets, fluctuations in the value of any of the assets may be offset or intensified by fluctuations in the value of other basket components. In addition, the historical performance of an Underlying is not an indication of its future performance. Changes in the market price of an Underlying will affect the trading price of the Products, and it is impossible to predict whether the market price of an Underlying will rise or fall.

4.8 Whole-day trading of Products related to Currency Exchange Rates, Commodities or Crypto Assets

In case of Products where the Underlyings are Currency Exchange Rates, Commodities or Crypto Assets, it should be noted that such Underlyings are traded 24 hours each day (including Saturday, Sunday and public holidays) through the time zones of Australia, Asia, Europe and America (Currency Exchange Rates and Commodities) or due to the technology used to for trading (Crypto Assets). For this reason it is possible that an event that is material in accordance with the Conditions or a factor relevant for the determination of any right granted by the Product may occur or be determined outside the business hours of the place where the Products are offered and/or traded.

4.9 A higher coupon might indicate higher risks

Investors should be aware that coupon rates of a Product may be an indication of the risks resulting from the investment. An investment in Products with higher coupon rates may indicate higher risks resulting from such investment, including potentially a loss of the invested amount. A higher coupon may be linked to underlying assets or derivatives with greater volatility or complexity. These underlying assets might be subject to unpredictable market movements, geopolitical events, or regulatory changes, which can significantly affect the value of the Products. Investors should carefully assess their risk tolerance and understand the underlying mechanisms driving the coupon rate before investing in such Products. Higher coupon rates may also be associated with longer maturity periods or more intricate payout structures, leading to increased exposure to interest rate fluctuations, liquidity risks, and potential early redemption penalties. Products with a high coupon rate may not be suitable or appropriate for Investors lacking the relevant risk tolerance, the relevant knowledge or experience in investment matters or the financial means.

4.10 Information with regard to the Underlying

Information with regard to the Underlying consists of extracts or summaries of information that is publicly available and that is not necessarily the latest information available. The Issuer accepts responsibility for accurately extracting and summarising the Underlying information. No further or

other responsibility (express or implied) in respect of the Underlying information is accepted by the Issuer. The Issuer makes no representation that the Underlying information, any other publicly available information or any other publicly available documents regarding the Underlying or other item(s) to which the Products relate are accurate, up-to-date, or complete. There can be no assurance that all events occurring prior to the Initial Fixing Date (as defined in the General Conditions) of the relevant Products that would affect the trading price of the Underlying or other item(s) to which the Products relate (and therefore the trading price and market value of the Products) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure or failure to disclose material future events concerning the Underlying or other item(s) to which the Products relate could affect the trading price and market value of the Products.

4.11 Possible impact of fluctuations in Market Volatility on the Market Value of Products

Market volatility reflects the degree of instability and expected instability of the performance of the equity, debt or commodity market over time. The level of market volatility is not purely a measurement of actual market volatility, but is largely determined by the prices for derivative instruments that offer Investors protection against such market volatility. The prices of these instruments are determined by forces such as actual market volatility, expected market volatility, other economic and financial conditions and trading speculations.

4.12 Risks of Products linked to Underlying(s) which are Shares or Participation Certificates

The performance of the relevant share or participation certificate cannot be predicted and is determined by macroeconomic factors, for example interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. Any one or a combination of such factors could adversely affect the performance of the Underlying(s) which, in turn, would have an adverse effect on the value of and return on the Products.

Neither the Issuer nor any affiliates of the Issuer have performed any investigations or review of any company issuing any share or participation certificate, including any public filings by such companies. Investors should not conclude that the inclusion of the shares or participation certificate is any form of investment recommendation. Consequently, there can be no assurance that all events occurring prior to the relevant Issue Date (as defined in the Issue Terms), affecting the trading price of the share(s) or participation certificate(s), will have been publicly disclosed. Subsequent disclosure of or failure to disclose material future events concerning a company issuing any Underlying could affect the trading price of the share and therefore the trading price of the Product.

4.13 Risks of Products linked to Underlying(s) which are Indices

General

In case of Products linked to indices, the redemption amount depends on the performance of the respective Index and thus of the components contained in the respective Index. During the term, the market value of the Products can deviate from the performance of the Index or components contained in the Index since other factors such as the correlation, volatilities, interest level and, (for example in the case of performance indices) the reinvestment of any dividend payments relating to the components contained in the Index, may have an impact on the performance of the Products. The Investor can therefore not rely on recovery of the price of the Product. In the case of a price Index as Underlying, Investors should note that dividend payments are in principle not taken into

account (whereas in the case of performance indices the calculation of such Index takes into account all dividend payments). Investors therefore should note that they do not participate in any dividend payments with regard to the components contained in the Index.

The Investor bears an additional risk if an Index is calculated and determined at the discretion of the Index Sponsor, the Index Calculation Agent or any other person responsible for determining and calculating the Index as there is no guarantee that such decisions will lead to a positive performance of the Index. The performance of the Index and hence the Product depends, *inter alia*, on the quality of the Index Sponsor's investment decisions. Investors need to conduct their own due diligence with respect to the Index Sponsor.

Neither the Issuer and/or the Lead Manager nor any of their affiliates take any responsibility for the selection of Index components or the success of the intended strategy as long as they are not taking this responsibility explicitly as part of their capacity as Index Sponsor, Index Calculation Agent or as a person responsible for composing or calculating the Index respectively.

For proprietary indices, reference is made to Risk Factor 4.14 below.

Varying weights or quantities of component(s)

The actual weight or quantity of each of the components of the Index may be different than the assigned weights or quantities, and therefore the relative contribution of each component of the Index to the level of the Index may vary from time to time, depending on the performance of each of the components relative to the other components since such immediately preceding rebalancing. The longer the period between each rebalancing, the greater the likelihood that there will be a significant variance between the absolute values of the weights or quantities of the components and the Index may therefore have an exposure to a component further below or in greater excess of its assigned weight than it would if the period were shorter, which may result in a greater skewing of the absolute nature of the investment positions with respect to the components and increase the overall risk profile of the Index.

No indication of future performance and limited operating history

Past performance of an Index is no guide to future performance. It is impossible to predict whether the value of an Index will rise or fall. The actual performance of an Index in the future may bear little relation to the historical performance of an Index.

Each Index is a relatively new strategy. As limited historical performance data may exist with respect to an Index and/or the components referenced by such Index, any investment in respect of which returns are linked to the performance of an Index or its components may involve greater risk than an investment linked to returns generated by an investment strategy with a proven track record. While a longer history of actual performance could provide more reliable information on which to base an investment decision, the fact that an Index and the relevant components are relatively new would not allow this. There can be no guarantee or assurance that an Index or its components will operate in a manner consistent with the data available.

No rights in respect of any component(s)

The investment exposure provided by an Index is synthetic, and a notional investment in an Index does not constitute a purchase or other acquisition or assignment of any interest in any component of an Index (or any sub-components thereof). Investment in Products linked to an Index will

therefore not make an Investor a holder of, or give an Investor a direct investment position in, any component (or any sub-components thereof). The return on such Products may be less than if Investors held a direct position in an Index or any component (or any sub-components thereof), or a different product linked thereto.

Effects of hedging activities

Products referencing an Index will expose the Issuer to such Index and its components. The Issuer (or an affiliate) may take risk positions to hedge this exposure in its discretion and in a principal capacity. Investors in any such Product will not have any rights in respect of any of the Issuer's hedge positions, including any shares, futures, options, commodities or currencies. The Issuer (or an affiliate) may execute its hedging activity by trading in the components of an Index on or before the related rebalancing day. Such trading may have an adverse impact on the level at which a component is rebalanced which will result in an adverse impact on the performance of such Index. The Issuer's hedging activity, and hence the size of such impact, will be linked to the amount of new and outstanding Products at the relevant time and then-prevailing market conditions and may affect the market price of or liquidity in the relevant market of an Index. Additionally, the Issuer may generate revenues if it executes its hedging activity at different levels from those used to determine the value of an Index or on a rebalancing of such Index. Such hedging activity could generate significant returns to the Issuer that will not be passed on to Investors in such Products.

Changes and unavailability of the Index

The Index Sponsor may alter the methodology used to calculate an Index or to discontinue publication of the value of an Index and such event may result in a decrease in the value of or return on any Products linked to an Index. Any changes may be made without regard to the interests of an Investor of Products linked to an Index.

A permanent cancellation of an Index or a failure by the Index Sponsor to calculate or announce the value of an Index may constitute a disruption event in respect of, and, therefore, may result in a decrease in the value of or return on any, Products linked to an Index or result in the termination or early redemption of such Products.

Furthermore, the decisions and policies of the Index Sponsor concerning the calculation of the value of an Index could affect its value and, therefore, the amount payable over the term of Products linked to an Index and the market value of such Products. The amount payable on Products linked to an Index and their market value could also be affected if the Index Sponsor changes these policies.

Impact of fees

Products referencing an Index may incur the fees as specified in the Issue Terms. These fees may include agent fees, management fees, advice fees, collateral fees, performance fees, rebalancing fees or other fees which accrue on an ongoing basis during the lifetime of a Product. Therefore, the longer the term of such a Product, the greater the reduction in the value of and return on the Product by such fee. Before purchasing a Product, Investors should understand the effect of the ongoing fee on the value of and return on the Product.

In addition, the fees may comprise a performance-based component which reduces the Redemption Amount that an Investor receives. Before purchasing a Product which incurs performance-based

fees, Investors should understand the effect of the performance fee on the value of and return on the Product.

Conflicts of interests of the Index Sponsor

Although the Index Sponsor will perform its obligations in a manner that it considers commercially reasonable, it may face conflicts between the role(s) it performs in respect of an Index and its own interests. In particular, the Index Sponsor (or an affiliate) may have, or enter into transactions to create, a physical, economic or other interest (including an adverse and/or short interest, as the case may be) in an Index, Products linked thereto, any component of an Index, any input data and/or investments referenced by or linked to any component or input data, and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions could adversely affect the level of the Index. In addition, if the Platform Provider or its affiliates act as Index Sponsor, potential conflicts of interest may arise in relation to its multiple roles in connection with the Products.

Risks related to products linked to Indices referencing Crypto Assets and a cash component as underlying(s)

In the case of Products linked to Indices which refer to Crypto Assets and a cash component, the redemption amount depends on the performance of the Index and thus on the components contained in the Index. In addition to the risks described under section 4.22 (Risks of Products linked to Underlying(s) which are Crypto Assets or which are linked to an Index referencing Crypto Assets), this gives rise to risks in connection with the cash component and the allocation mechanism.

With regard to the cash component, the Investor is exposed to similar risks as if he had invested in it directly. If the cash component is a stable coin, the Investor is exposed to the risks associated with stable coins (see section 4.22 (Risks of Products linked to Underlying(s) which are Crypto Assets or which are linked to an Index referencing Crypto Assets)).

If applicable, an allocation mechanism determines during the term of the Product the weighting of the underlying Crypto Asset as well as on the cash component referenced by the Index. Depending on the conception of the allocation mechanism and the price development of the Crypto Asset as well as the cash component, this may result in the Investor being invested in one of the two components with a higher weighting than at the time of his investment decision. Depending on the conception of the allocation mechanism, the Product as a result of an allocation may also relate exclusively to one of the two components.

Overall, the Index Sponsor typically has a high degree of discretion with regard to the specific allocation (also including possible adjustment rules in the event of disruption events), the exercise of which may have a negative impact on the performance of the product from the Investor's perspective.

4.14 Risks of Products relating to Proprietary Indices

If the Issuer (or any of its affiliates), the Lead Manager (or any of its affiliates) or any third party acting on instruction of the Issuer or the Lead Manager is the Index Sponsor (such an Index a "**Proprietary Index**"), such Proprietary Index has been developed, owned, calculated and maintained by the Issuer (or any of its affiliates), the Lead Manager (or any of its affiliates) or any third party acting on instruction of the Issuer or the Lead Manager. As Index Sponsor or as entity affiliated to,

or instructing, the Index Sponsor, the Issuer (or any of its affiliates) or the Lead Manager (or any of its affiliates) may also have a say, in its discretion, in any amendments of the rules of a Proprietary Index from time to time, or in any discontinuation of such Proprietary Indices. In its capacity as Index Sponsor or as entity affiliated to, or instructing, the Index Sponsor, the Issuer and/or the Lead Manager are under no obligation to take into account the interests of an Investor of the Products that references a Proprietary Index. Any such determinations made by the Issuer, the Lead Manager and/or any other Index Sponsor in relation to each Proprietary Index may have a negative impact on the value of and return on the Products.

Investors in a Proprietary Index could lose their entire investment

The value of a Proprietary Index depends on the performance of the components, each of which may increase or decrease in value. Neither a Proprietary Index nor any of the components includes any element of capital protection or guaranteed return. The value of any component, or a Proprietary Index itself, may fall below its initial value.

The value of a Proprietary Index may be zero

The value of a Proprietary Index is floored at zero. If the methodology for calculating the value of a Proprietary Index would otherwise result in the value of a Proprietary Index on any business day of less than zero, the value of a Proprietary Index shall be deemed to be zero on such business day and all subsequent business days. Any transaction or Product linked solely to a Proprietary Index may lose all of its value, with no chance of recovery thereafter.

The methodology underlying a Proprietary Index may not produce positive returns and a Proprietary Index may underperform other alternative investment strategies

No assurance can be given that the methodology underlying a Proprietary Index will be successful in producing positive returns or that a Proprietary Index will outperform any other alternative investment strategy. Furthermore, the results that may be obtained from investing in any transaction or product linked to a Proprietary Index may well be significantly different from the results that could theoretically be obtained from a direct investment in the relevant components or any related derivatives thereto.

Gains from an investment in transactions or products linked to a Proprietary Index may be reduced by the deduction of embedded costs

Nominal embedded costs may be included within a Proprietary Index and if so, will reduce the level of such a Proprietary Index. Certain costs may be deducted from the performance of a Proprietary Index to synthetically reflect the transaction costs that a hypothetical investor would incur if such hypothetical investor were to enter into and maintain direct investment positions to provide the same exposure as a Proprietary Index. These embedded costs will reduce the value of a Proprietary Index.

A Proprietary Index may not be dynamic or actively managed

The exposure of a Proprietary Index to its components is determined in accordance with the index methodology set out in the relevant index rules. Some Proprietary Indices may be static indices and in this case there will be no active management of such a Proprietary Index in accordance with its index rules so as to enhance returns beyond those embedded in a Proprietary Index at its inception. Market participants often adjust their investments promptly in view of market, political, financial or

other factors. An actively managed investment may potentially respond more directly and appropriately to immediate market, political, financial or other factors than a non-actively managed strategy such as a static Proprietary Index. No assurance can be given that a Proprietary Index without a dynamic feature will replicate or outperform a comparable strategy which is actively managed and the return on a Proprietary Index may be lower than the return on an actively managed strategy.

Rebalancings of a Proprietary Index may not produce successful outcomes

Certain Proprietary Indices may provide for a periodic rebalancing of its components and/or their respective weightings from a universe of eligible components based on requests from a third party such as an index advisor. The exposure of such a Proprietary Index to its components and/or their respective weightings, and the frequency of occurrence of such rebalancing, are determined in accordance with the rules of such Proprietary Index. No assurance can be given that any such rebalancing of a Proprietary Index will produce a successful outcome or will respond effectively or appropriately to immediate market, political, financial or other factors.

A Proprietary Index may not be a fully diversified portfolio

Diversification is generally considered to reduce the amount of risk associated with generating returns. The exposure of a Proprietary Index may be concentrated in certain industrial sectors and a single geographical market. There can be no assurance that a Proprietary Index will be sufficiently diversified at any time to reduce or minimise risks of volatility. The more concentrated a Proprietary Index is in certain industrial sectors and/or geographical markets, the greater degree of volatility a Proprietary Index may exhibit, and this could in turn result in an adverse effect on the returns of such Proprietary Index.

In addition, components in certain industrial sectors and/or geographical markets may suffer the same adverse performance following a general downturn or other economic or political event, and this could in turn have an adverse effect on the returns of a Proprietary Index.

The actual weights or quantities of component(s) may vary following each rebalancing

The actual weight or quantity of each of the components of a Proprietary Index may be different than the assigned weights or quantities, and therefore the relative contribution of each components of a Proprietary Index to the level of a Proprietary Index may vary from time to time, depending on the performance of each of the components relative to the other components since such immediately preceding rebalancing. The longer the period between each rebalancing, the greater the likelihood that there will be a significant variance between the absolute values of the weights or quantities of the components and a Proprietary Index may therefore have an exposure to a component further below or in greater excess of its assigned weight than it would if the period were shorter, which may result in a greater skewing of the absolute nature of the investment positions with respect to the components and increase the overall risk profile of a Proprietary Index.

Historical levels of a Proprietary Index may not be indicative of future performance

Past performance of a Proprietary Index is no guide to future performance. It is impossible to predict whether the value of a Proprietary Index will rise or fall. The actual performance of a Proprietary Index in the future may bear little relation to the historical performance of a Proprietary Index.

Historical analysis or other statistical analysis in respect of a Proprietary Index is no guarantee of the performance of a Proprietary Index

Certain presentations and historical analysis or other statistical analysis materials in respect of the operation and/or potential returns of a Proprietary Index which may be provided are based on simulated analyses and hypothetical circumstances to estimate how a Proprietary Index may have performed prior to its launch date. None of the Index Sponsor, the Issuer or the Lead Manager of any Product linked to a Proprietary Index provides any assurance or guarantee that a Proprietary Index will operate or would have operated in the past in a manner consistent with those materials. As such, any historical returns projected in such materials or any hypothetical simulations based on these analyses or hypothetical values, which are provided in relation to a Proprietary Index, may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, a Proprietary Index over any time period.

There are certain risks in relation to back-testing

The Index Calculation Agent will designate the "start date", on which the value of a Proprietary Index is equal to the "initial value" as specified in the relevant index rules. The values of a Proprietary Index in the period from such start date, to a date no later than the date on which investment products linked to a Proprietary Index are first implemented (which may be materially later than the start date) will be calculated on the basis of back-tested data ("back-testing").

Index values for such period are hypothetical and are calculated at or around the launch date in accordance with the index methodology but using historical data available to the Index Calculation Agent at the time of calculation. If such historical data is not available or is incomplete for any particular day, the Index Calculation Agent may use alternate sources of data in place of such historical data, and/or may substitute alternative values (which may be determined by the Index Calculation Agent), as it deems necessary to calculate such hypothetical value of a Proprietary Index.

If such historical data was available or complete, or if different sources or values were used in such back-testing, the Index values for such period would be different, potentially materially so. Accordingly, the Index values may not reflect the performance of, and are no guarantee or assurance in respect of the performance or returns of, a Proprietary Index over any time period from the launch date. Furthermore, any back-testing is based on information and data provided to the Index Calculation Agent by third parties. The Index Calculation Agent will not have independently verified or guaranteed the accuracy and/or the completeness of such information or data provided and is not responsible for any inaccuracy, omission, mistake or error in such information, data and/or back-testing.

An Investor in Products linked to a Proprietary Index will have no rights in respect of any component(s)

The investment exposure provided by a Proprietary Index is synthetic, and a notional investment in a Proprietary Index does not constitute a purchase or other acquisition or assignment of any interest in any component of a Proprietary Index (or any sub-components thereof). Investment in Products linked to a Proprietary Index will therefore not make an Investor a holder of, or give an Investor a direct investment position in, any component (or any sub-components thereof). The return on the Products may be less than if an Investor held a direct position in a Proprietary Index or any component (or any sub-components thereof), or a different product linked thereto.

A Proprietary Index may have a limited operating history and may perform in unanticipated ways

Each Proprietary Index is a relatively new strategy. As limited historical performance data may exist with respect to a Proprietary Index and/or the components referenced by such Proprietary Index, any investment in respect of which returns are linked to the performance of a Proprietary Index or its components may involve greater risk than an investment linked to returns generated by an investment strategy with a proven track record. While a longer history of actual performance could provide more reliable information on which to base an investment decision, the fact that a Proprietary Index and the relevant components are relatively new would not allow this. There can be no guarantee or assurance that a Proprietary Index or its components will operate in a manner consistent with the data available.

The Hedging Entity's hedging activity may affect the level of a Proprietary Index

The Hedging Entity, i.e., the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products, may take risk positions to hedge this exposure in its discretion and in a principal capacity. By executing products linked to a Proprietary Index, the Issuer will therefore have an exposure to such Proprietary Index and its components. Investors in any such Product will not have any rights in respect of any of the Hedging Entity's hedge positions, including any shares, futures, options, commodities or currencies. The Hedging Entity may execute its hedging activity by trading in the components of a Proprietary Index on or before the related rebalancing day. Such trading may have an adverse impact on the level at which a component is rebalanced which will result in an adverse impact on the performance of such Proprietary Index. The Hedging Entity's hedging activity, and hence the size of such impact, will be linked to the amount of new and outstanding Products at the relevant time and then-prevailing market conditions and may affect the market price of or liquidity in the relevant market of a Proprietary Index. Additionally, the Issuer may generate revenues if the Hedging Entity executes its hedging activity at different levels from those used to determine the value of a Proprietary Index or on a rebalancing of such Proprietary Index. Such hedging activity could generate significant returns to the Issuer that will not be passed on to Investors in such Products.

A Proprietary Index may be changed or become unavailable

The Index Sponsor may alter the methodology used to calculate a Proprietary Index or to discontinue publication of the value of a Proprietary Index and such event may result in a decrease in the value of or return on any Products linked to an Index. Any changes may be made without regard to the interests of an Investor of Products linked to an Index.

A permanent cancellation of a Proprietary Index or a failure by the Index Sponsor to calculate or announce the value of a Proprietary Index may constitute a disruption event in respect of, and, therefore, may result in a decrease in the value of or return on any, Products linked to an Index or result in the termination or early redemption of such Products.

Furthermore, the decisions and policies of the Index Sponsor concerning the calculation of the value of a Proprietary Index could affect its value and, therefore, the amount payable over the term of Products linked to an Index and the market value of such Products. The amount payable on Products linked to an Index and their market value could also be affected if the Index Sponsor changes these policies.

Data sourcing and calculation risks associated with a Proprietary Index and its components may adversely affect the value of a Proprietary Index

The value of a Proprietary Index is calculated based on price data that may be subject to potential errors in data sources or other errors that may affect the closing levels and/or prices published by the relevant sponsor.

Any errors in the third-party information or data that a Proprietary Index relies on to generate the signal may impact the other calculations underlying the Index methodology, such as whether a Proprietary Index takes a long or short position in an immediate component included in the Index. Such errors could adversely affect the value of the Index. None of the Index Sponsor or any of its affiliates, the Issuer or the Lead Manager are under any obligation or currently intends to independently verify such third-party information or data from any third-party data source or to advise any Investor in any transaction or product linked to a Proprietary Index of any inaccuracy, omission, mistake or error of which it or any such affiliate or the Issuer or the Lead Manager becomes aware. Consequently, none of the Index Sponsor or any of its affiliates, the Issuer or the Lead Manager shall be liable (whether in contract, tort or otherwise) to any person for any inaccuracy, omission, mistake or error in the calculation or dissemination of the value of an Index.

There can be no assurance that any error or discrepancy on the part of any data source or sponsor will be corrected or revised. Even if any error or discrepancy on the part of any third-party data source or sponsor is corrected or revised, none of the Index Sponsor or any of its affiliates, the Issuer or the Lead Manager are under any obligation or currently intends to incorporate any such correction or revision into the calculation of the value of a Proprietary Index or the level of any terminal component. None of the Index Sponsor, or any of its affiliates, the Issuer or the Lead Manager makes any representation or warranty, express or implied, as to the correctness or completeness of that information and takes no responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the value of a Proprietary Index or on the performance of any components referenced therein. Any of the foregoing errors or discrepancies could also adversely affect the value of a Proprietary Index.

Information about a Proprietary Index may only be available through the Index Sponsor

The rules for a Proprietary Index are only available through the Index Sponsor. The Index Sponsor may not provide Investors of any transaction or product linked to a Proprietary Index with further information in relation to a Proprietary Index beyond what is provided in the relevant index rules and further information may not be generally available. The Index Sponsor has entered into non-exclusive licensing agreements with certain of its third-party data suppliers in order to source the necessary data to calculate the relevant Proprietary Index. The formalities necessary to obtain access to such figures may deter potential Investors from investing in a transaction or product linked to a Proprietary Index on the secondary market.

A Proprietary Index relies on the use of third-party information

The Proprietary Index methodology relies on the use of third-party information. The inability of the Index Calculation Agent to source necessary data to calculate the relevant formulae of a Proprietary Index may affect the value of a Proprietary Index. Investors considering acquiring or making an investment in a transaction or product linked to a Proprietary Index should carefully read and understand the information about a Proprietary Index and its components (and any constituents

thereof). Information about the components (and any constituents thereof) can be found on the Bloomberg and/or the stock exchanges on which the constituent equity stocks are listed. However, the Index Calculation Agent makes no warranty as to the correctness of that information and takes no responsibility for the accuracy of such data or the impact of any inaccuracy of such data on the Index.

Transactions or Products linked to a Proprietary Index may be exposed to more or less risk, or perform better or worse, based upon the inputs received from the above suppliers or sources, than an actual investment in or linked to one or more of the components (and any constituents thereof).

Proprietary Indices and conflicts of interests

Potential conflicts of interest may arise in relation to the Issuer's and/or the Lead Manager's multiple roles in connection with a Proprietary Index. Although the Issuer and/or the Lead Manager will perform its obligations in a manner that it considers commercially reasonable, it may face conflicts between the roles it performs in respect of a Proprietary Index, its roles as Issuer and/or Lead Manager and its own interests. In particular, the Issuer, the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) may have, or enter into transactions to create, a physical, economic or other interest (including an adverse and/or short interest, as the case may be) in a Proprietary Index, Products linked thereto, any component of a Proprietary Index, any input data and/or investments referenced by or linked to any component or input data, and may exercise remedies or take other action with respect to its interests as it deems appropriate. These actions could adversely affect the level of the Proprietary Index and may include the following:

- The Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) may actively trade (or may actually trade) Products linked to each Proprietary Index, any component or input data thereof, investments referenced by or linked to a component or input data and numerous related investments. These activities could adversely affect the level of the Proprietary Index, which could in turn affect the return on, and the value of, Products linked to a Proprietary Index.

- The Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) may have access to information relating to a Proprietary Index, Products linked thereto, a component or input date of a Proprietary Index or investments referenced by or linked to a component or input data. Neither the Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) are obliged to use that information for the benefit of any person acquiring or entering into Products linked to a Proprietary Index.

Certain activities conducted by the Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) may conflict with the interests of those acquiring Products linked to a Proprietary Index. It is possible that the Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) could receive substantial returns in respect of these activities while the value of any investment referenced to such Proprietary Index may decline. For example:

- The Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) and other parties may issue or underwrite additional securities or trade other financial or derivative instruments or investments referenced to a Proprietary Index or other similar strategies or any component. An increased level of investment and trading in these securities, instruments or investments may negatively affect the performance

of a Proprietary Index and could affect the level of a Proprietary Index and, therefore, the amount payable at maturity (or on any other payment date) on Products linked to a Proprietary Index and the value before maturity of such Products. Such securities, instruments or investments may also compete with Products linked to a Proprietary Index. By introducing competing Products into the marketplace in this manner, the Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) could adversely affect the market value of Products linked to a Proprietary Index and the amount paid by it on such Products at maturity (or on any other payment date). To the extent that the Issuer and/or the Lead Manager (or an affiliate of the Issuer and/or the Lead Manager) serve as issuer, agent, underwriter or counterparty in respect of those securities or other similar instruments or investments, its interests in respect of those securities, instruments or investments may be adverse to the interests of Investors of Products linked to a Proprietary Index.

- Although the Hedging Entity is not obliged to do so, the Hedging Entity may elect to hedge its exposure to the Proprietary Index, any transactions or products linked thereto, a component or any investment referenced by or linked to a component with an affiliate or a third party. That affiliate or third party, in turn, is likely to directly or indirectly hedge some or all of its exposure, including through transactions taking place on the futures and options markets. Where the Hedging Entity chooses to hedge the Issuer's exposure, it may adjust or unwind such hedges by entering into, purchasing or selling transactions or Products linked to a Proprietary Index, a component, any investments referenced by or linked to a component or any other transaction or Product on or before the date a Proprietary Index is valued for purposes of any investments referenced to a Proprietary Index. The Hedging Entity may also enter into, adjust or unwind hedging transactions relating to other instruments linked to a Proprietary Index or a component including at times and/or levels which are different from those used to determine the value of a Proprietary Index. Any of this hedging activity may adversely affect the value of a Proprietary Index and the value of any transactions or Products linked to a Proprietary Index. In addition, and without limitation:

    - The Issuer could receive substantial returns with respect to these hedging activities while the value of a Proprietary Index and/or the value of any transaction or Product linked to a Proprietary Index may decline.

    - If the Hedging Entity has hedged the Issuer's exposure to a component and incurs an effective rate of withholding tax that is less than the synthetic transaction costs applied in respect of a Proprietary Index, the Issuer could receive substantial returns.

    - The Issuer could receive substantial returns if it trades in a component on or before the rebalancing of a Proprietary Index and/or at levels which are different from the levels specified in the methodology for determining the value of a Proprietary Index. Such trading may have an adverse impact on the level at which a rebalancing occurs, which may result in an adverse impact on the performance of a Proprietary Index. In addition, such trading could generate significant returns to the Issuer that will not be passed on to the Investors in transactions or Products linked to a Proprietary Index.

Certain activities conducted by the Issuer may conflict with the interests of those investing in transactions or acquiring Products linked to a Proprietary Index. For example, as described above, the Hedging Entity may elect to hedge the Issuer's obligations, if any, with an affiliate or a third party.

The Index Sponsor, the Issuer or the Lead Manager (or an affiliate of the Issuer or the Lead Manager) may also engage in trading for its own accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers relating to one or more transactions or products linked to a Proprietary Index, a component or any constituent thereof and/or any investment referenced by or linked to a component or any constituent thereof. In the course of these transactions, the Index Sponsor's customers or the customers of the Issuer or the Lead Manager (or an affiliate of the Issuer or the Lead Manager) may receive information about a Proprietary Index before it is made available to other Investors. Any of these activities could also adversely affect the value of a Proprietary Index directly or indirectly by affecting the level of a component or any constituent thereof or the investments referenced by or linked to a component or any constituent thereof and, therefore, the market value of any transactions or Products linked to a Proprietary Index and the amount paid on any such transaction or Product at maturity.

As operator or sponsor of a Proprietary Index or as entity affiliated with the Index Sponsor or instructing the Index Sponsor, under certain circumstances the Issuer and/or the Lead Manager will have discretion in making various determinations that affect a Proprietary Index and transactions or Products linked to it including, but not limited to, those situations described in the relevant index rules. The Issuer and/or the Lead Manager may use these determinations to calculate how much cash it must pay at maturity, or, as the case may be, upon any early redemption or on any other payment date, of any transaction or product linked to a Proprietary Index, including Products issued by the Issuer or its affiliates and subsidiaries. The exercise by the Issuer and/or the Lead Manager of this discretion could adversely affect the value of a Proprietary Index and the value of any such transaction or Product linked to it. It is possible that the exercise by the Index Sponsor of its discretion to change the relevant Index methodology may result in substantial returns in respect of the Issuer's and/or the Lead Manager's trading activities for its proprietary accounts, for other accounts under its management or to facilitate transactions on behalf of customers relating to one or more transactions or Products linked to a Proprietary Index, and/or the components thereof or any investment referenced by or linked to such components.

As operator or sponsor of one or more components, the Issuer, the Lead Manager or its affiliates and subsidiaries may be entitled to exercise discretion over decisions that would have an adverse impact on the value of the Index, including, without limitation, discontinuing publication of the level of one or more components. The Issuer, the Lead Manager or its affiliates and subsidiaries will exercise any such discretion without regard to a Proprietary Index or Investors in any transactions or Products linked thereto.

The Issuer or the Lead Manager may in the future create and publish other indices or strategies, the concepts of which are similar, or identical, to that of a Proprietary Index or one or more of the components. The components as specified in the relevant Index Rules, however, are the only components that will be used for the calculation of a Proprietary Index. Accordingly, no other published indices should be treated by any Investor as the level of any component (except as the Index Sponsor or the Index Calculation Agent may so determine, as described above).

The Issuer or the Lead Manager may express opinions or provide recommendations (for example, with respect to a component) that are inconsistent with investing in transactions or Products linked

to a Proprietary Index, and which may be revised at any time. Any such opinions or recommendations may or may not recommend that Investors buy or hold the relevant component and could affect the value and or performance of a Proprietary Index or of transactions or Products linked to a Proprietary Index.

The Issuer or the Lead Manager may have ownership interests in sponsors of components and as such may be able to influence the methodology and other features of such components. In addition, the Issuer or the Lead Manager or its affiliates and subsidiaries may provide pricing or other data that is directly used in the calculation of the level of components (or the components thereof). The activities of the Issuer or the Lead Manager or its affiliates and subsidiaries as contributor to any components may be adverse to the interests of Investors and/or counterparties to transactions or Products linked to any such components and may have an impact on the performance of such components.

The Issuer or the Lead Manager may act as the Index Calculation Agent and may have ownership interests in any other calculation agent with respect to a Proprietary Index or any component and any third-party data providers with respect to a Proprietary Index or any component and as such may be able to influence the determinations of the Index Calculation Agent or other calculation agent. In addition, the Issuer or the Lead Manager and its affiliates and subsidiaries may provide pricing or other data that is directly used in the calculation of the level and/or components of a Proprietary Index. The activities of the Issuer or the Lead Manager and its affiliates and subsidiaries as contributor to a Proprietary Index may be adverse to the interests of Investors and/or counterparties to transactions or Products linked to a Proprietary Index and may have an impact on the performance of a Proprietary Index.

4.15 Risks of Products linked to Underlying(s) which are Depositary Receipt(s)

Products linked to depositary receipts may carry additional risks compared to Products linked to shares, see Risk Factor 4.12 (Risks of Products linked to Underlying(s) which are Shares or Participation Certificates).

Each depositary receipt represents one or more underlying shares or a fraction of the security of a non-domestic stock corporation. The legal owner of the underlying shares is, for both types of depositary receipts, the depositary, which is also the issuing agent of the depositary receipts. Depending on the jurisdiction under which the depositary receipts have been issued and under which the depositary agreement is governed, it cannot be ruled out that the jurisdiction will not accept the holder of the depositary receipts as the actual beneficial owner of the underlying shares. In particular in the event that the depositary becomes insolvent or is subject to foreclosure, it is possible that a restraint on disposal of the underlying shares of the depositary receipts will be imposed or that such shares will be disposed of in the context of a foreclosure against the depositary. In this case, the holder of the depositary receipts will lose the rights over the underlying shares which are certified in the depositary receipts. The depositary receipts as the underlying of the Products and therefore the Products relating to such depositary receipts will become worthless.

In such a scenario the Investor is exposed to the risk of the value of the redemption of such Products being less than the capital invested for the Product (including related transaction costs) or zero.

Any fees and costs that the custodian bank – generally having its registered office in the home country of the issuer of the underlying shares – or the depositary incur, can have a negative impact on the value of the depositary receipts and thus on the value of the Products.

4.16 Risks of Products linked to Underlying(s) which are Commodities

The price risks involved in commodities are often complex. Commodity prices are more volatile than other investment categories and, in particular, commodity markets are less liquid than bond, currency or stock markets. This means that changes in the supply and demand have a larger impact on prices and volatility, making commodities investments riskier and more complex than other investments.

Commodities comprise physical commodities, which need to be stored and transported, and commodity contracts, which are agreements either to buy or sell a set amount of a physical commodity at a predetermined price and delivery date (e.g. futures contracts).

The factors that influence commodity prices are both numerous and complex. Examples of some typical factors affecting commodity prices are: limited scope for action for commodities on the supply side and differences in regional demand; unfavourable weather conditions, diseases and epidemics; influence of the overall yield with commodities, e.g. through costs (for example for transport, storage and insurance) in the case of direct investments in commodities; strong speculation; production in emerging markets that often have unstable political and economic situation, high inflation, increased risk of currency fluctuations as well as political and legal risks and changes in tax rates and customs duties.

Changes to these legal and regulatory regimes may negatively affect the value of the Products.

The majority of commodities are usually traded in United States dollars ("**USD**" or "**US dollar**"), therefore Investors may bear an exchange rate risk between the currency in which the commodity is traded and the Settlement Currency of the Product.

The price of a commodity contract will generally be at a premium or at a discount to the spot price of the relevant physical commodity. This discrepancy is due to factors such as the need to adjust the spot price due to related expenses and different methods being used to evaluate general factors affecting the spot and the futures markets. Products with the physical commodity as Underlying may therefore provide a different return than Products with a commodity contract as Underlying.

Markets where commodities are traded may become in whole or in part, subject to future additional regulation which could significantly impact the performance of the Issuer's obligations under the Products. Furthermore, arrangements made to hedge the Issuer's obligations under the Products may become invalid in whole or in part. In such a case the Issuer has the right to terminate the Products early by providing notice to Investors.

4.17 Risks of Products linked to Underlying(s) which are Currency Exchange Rates

Currency exchange rates indicate the relationship between one particular currency and another currency. For example, the exchange rate 'EUR/USD 1.11823' indicates that USD 1.11823 has to be paid to purchase one euro. An increase in this currency exchange rate therefore means an increase in the value of the euro against the USD. The currency exchange rate 'USD/EUR 0.89416', on the other hand, indicates that EUR 0.89416 has to be paid to purchase one US dollar. An increase in this currency exchange rate therefore means an increase in the value of the US dollar against the euro.

A country's currency may appreciate, for example, as a result of an increase in a country's key interest rate, demand for such country's government bonds normally rises. Conversely, a country's currency may depreciate if the key interest rate falls. Generally, exchange rates are determined by supply and demand for currencies on the international money markets which are, among other things, subject to economic factors, speculation and actions taken by governments and central banks (e.g. exchange controls or restrictions).

Currency exchange rates are influenced by a wide variety of factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and the safety of making financial investments in the currency concerned. Apart from these assessable factors there may be factors that are almost impossible to predict, for instance factors of a psychological nature such as a loss of faith in the political leadership of a country, which can also have a major impact on the value of the currency concerned.

4.18 Risks of Products linked to Underlying(s) which are Futures and Other Exchange-Traded Contracts

There is generally a close correlation between the price movement of the spot market price of an underlying for the relevant Futures and Other Exchange-Traded Contract and the corresponding market price of the Futures and Other Exchange-Traded Contract. However, as regards futures contracts, they are generally traded at a premium or discount compared with the spot price of the underlying of the futures contract. This difference between the spot and futures prices, called the 'basis' in futures exchange terminology, on the one hand is the result of taking into account the costs customarily arising in connection with spot transactions (warehousing, delivery, insurance, etc.) and/or the income customarily arising in connection with spot transactions (interest, dividends, etc.), and on the other hand the different methods used to evaluate general market factors affecting the spot and the futures market.

Furthermore, depending on the relevant underlying, there can be significant differences in the liquidity of the spot and respective Futures and Other Exchange-Traded Contract market.

As the Products are linked to the market price of the relevant Futures and Other Exchange-Traded Contract specified in the Issue Terms, Investors should understand how Futures and Other Exchange-Traded Contracts transactions work and are valued in addition to knowing about the market in the underlying of the relevant Futures and Other Exchange-Traded Contract to be able to properly assess the risks inherent in purchasing the Products.

Futures and Other Exchange-Traded Contract as underlying of Products may have a fixed expiry date. If the relevant Futures and Other Exchange-Traded Contract expires prior to the expiry date of the Products, the Futures and Other Exchange-Traded Contract will be replaced upon expiry (at the time specified in the Issue Terms) by another Futures and Other Exchange-Traded Contract having the same contract specifications as the current Futures and Other Exchange-Traded Contract, except for a later expiry date (so-called "**Rollover**"). Rollover may affect the value of the Products in a variety of ways, including:

- The investment in Futures and Other Exchange-Traded Contracts may be increased or decreased as a result of such Rollover: If the price of a Futures and Other Exchange-Traded Contract with a short maturity is higher than the price of the Futures and Other Exchange-Traded Contract with a longer maturity (this is known as "backwardation" of the Futures and

Other Exchange-Traded Contract), then Rollover will result in a greater number of the Futures and Other Exchange-Traded Contract with longer maturities being entered into. Therefore, any loss or gain on the new positions for a given price movement in the Futures and Other Exchange-Traded Contract will be greater than if one had synthetically held the same number of Futures and Other Exchange-Traded Contracts as before the Rollover. Conversely, if the price of the short-dated Futures and Other Exchange-Traded Contract is lower than the price of the longer-dated Futures and Other Exchange-Traded Contract (in which case the Futures and Other Exchange-Traded Contract is said to be in "contango"), then the Rollover will result in a smaller number of the longer-dated Futures and Other Exchange-Traded Contracts being entered into. Therefore, any gain or loss on the new positions for a given price movement in the Futures and Other Exchange-Traded Contract will be less than if one had synthetically held the same number of Futures and Other Exchange-Traded Contracts as before the Rollover.

- If a Futures and other Exchange-Traded Contract is in "contango" (or alternatively in "backwardation"), this is expected to have a negative (or alternatively positive) effect over time (even if this is not actually the case): If a Futures and Other Exchange-Traded Contract is in "contango", the price of the longer-term Futures and Other Exchange-Traded Contract is expected (but not required) to decline over time as it approaches maturity. In this case, rolling is generally expected to have a negative effect on an investment in the Futures and Other Exchange-Traded Contract. If a Futures Contract and other Exchange-Traded Contract is in "backwardation", the price of the longer-term Futures Contract and other Exchange-Traded Contract is generally expected (but not required) to increase over time as it approaches maturity. It can then generally be expected that the investment in the relevant Futures and other Exchange-Traded Contract will be positively affected.

In the case of Products linked to an underlying which is a Futures and Other Exchange-Traded Contract, the Futures and Other Exchange-Traded Contract will be modified without liquidating or taking positions in the Commodity Contracts. Accordingly, the effects of rolling as described above will not directly affect the Underlying and the Products. As a result, an Investor in these Products will not directly participate in the potential effects of the rollover. However, the behaviour of other market participants may follow the mechanism of the rollover, which may have an indirect adverse effect on the value of the Underlying of the Products.

4.19 Risks of Products linked to Underlying(s) which are Fixed Income Instruments or Derivative Instruments (each an "Instrument")

Instruments may be linked to different types of Underlyings. Risks in relation to each type of Underlying as described in these Risk Factors 4 (Risk Factors relating to the Products) apply analogously to Instruments.

In the event that an Instrument is terminated or redeemed early or in the event of changes to the terms and conditions of the Instrument, the Instruments may be replaced with another Instrument or the Products may be redeemed early at the unscheduled early redemption amount, which may be zero in the worst case, i.e. the Investor may suffer a total loss of the capital invested.

4.20 Risks of Products linked to Underlying(s) which are ETF Shares or Fund Units

Factors affecting the performance of a fund (being either (i) an exchange traded fund ("**ETF**"), which is an open ended or other fund traded like a share on an exchange, or (ii) a fund, in each case that tracks or is linked to the performance of a portfolio of assets (for the purpose of this Risk Factor, each a "**Fund**" and collectively the "**Funds**") may adversely affect the market value of, and the return (if any) on, the Products linked to such Fund.

The performance of a Fund is dependent upon the macroeconomic factors affecting the performance of such assets which may include, among other things, interest and price levels on the capital markets, commodity prices, currency developments, political factors and, in the case of shares, company specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy. These factors affecting the performance of the Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked to such Funds.

An Investor's return on Products linked to Fund(s) may not reflect the return such Investor would realise if it actually owned the relevant fund units, ETF Shares or assets included in the portfolio(s) of the Fund(s). For example, if the portfolio of the Fund(s) includes shares or a share index, Investors in the Products linked to such Fund will not receive any dividends paid on such shares or the shares included in such share index and will not benefit from those dividends unless such Fund takes such dividends into account for purposes of calculating the value of such Fund. Similarly, Investors in Products linked to Fund(s) will not have any voting rights in the shares or other assets that are included in the portfolio(s) of the Fund(s). Accordingly, an Investor in Products linked to Fund(s) may receive a lower payment (if any) upon redemption of such Products than such Investor would have received, if it had directly invested in the fund units, ETF shares or assets included in the portfolio of such Fund(s).

In principle, the Issuer and the Calculation Agent have no influence on the composition or performance of any Fund or any index that such Fund is intended to replicate. The management company or the licensor/sponsor, as applicable, of an underlying index can add, delete or substitute the assets included in such index, respectively, or make methodological changes that could affect the value of such Fund or of such underlying index, respectively. The substitution of assets included in the portfolio of a Fund or in an underlying index, respectively, may affect the value of such Fund, as a newly added asset may perform significantly worse or better than the asset it replaces, which in turn may affect the market value of, or payments (or other benefits to be received) under, the Products. The management company or licensor/sponsor of any underlying index may also alter, discontinue or suspend calculation or dissemination of information on such Fund or such underlying index, respectively. The management company and licensor/sponsor of such underlying index are not involved in the offer and sale of the Products and have no obligation to invest therein. The management company and licensor/sponsor of such underlying index may take any actions in respect of such Fund or such underlying index, respectively, without regard to the interests of the Investors in Products, and any of these actions could adversely affect the market value of (or amount payable under) such Products. In particular, no assurance can be given that the performance of a Fund will be identical to the performance of the assets included in the portfolio of the Fund(s) or which the Fund intends to replicate, respectively, due to many factors.

The market price of interests in the Fund that are traded on an exchange may, due to the forces of supply and demand, as well as liquidity and scale of trading spread in the secondary market, diverge

from their net asset value, i.e., the market price per interest in the Fund could be higher or lower than its net asset value, and will fluctuate during the trading day.

The performance of Fund(s) with a portfolio of assets that are concentrated in the assets of a particular industry or group of industries could be more volatile than the performance of Funds with portfolios of more diverse assets. In addition, certain Fund(s) may invest in Crypto Assets. The performance of such Fund(s) which invest into Crypto Assets may be subject to similar risks as set out in section 4.22.

A Fund's performance will be affected by the fees and expenses which it incurs, as described in its offering documents. Such fees and expenses may include the investment management fees, performance fees and operating expenses typically incurred in connection with any direct investment in a Fund. A Fund will assess fees and incur costs and expenses regardless of its performance. High levels of trading could cause a Fund to incur increased trading costs. Investors of Products linked to Fund(s) will be exposed to a pro rata share of the fees and expenses of the relevant Fund(s).

The Calculation Agent will rely on the calculation and publication of the net asset value per Fund Unit by the relevant Fund itself (or another entity on its behalf). Any delay, suspension or inaccuracy in the calculation and publication of the net asset value per Fund Unit will impact on the calculation of the return on the Products. The value of and return on the Products may also be reduced if a Fund delays payments in respect of fund share redemptions.

The Fund Units and/or the investments made by a Fund may be valued only by administrators, custodians or other service provider of the Fund and may not be verified by an independent third party on a regular or timely basis. There is a risk that (i) the determinations of the Calculation Agent may not reflect the true value of the Fund Units at a specific time which could result in losses or inaccurate pricing and/or (ii) relevant values may not be available on a relevant date which could result in the Fund Units of the Fund being determined by the Calculation Agent in its discretion.

No assurance can be given that the investment strategy of a Fund will be successful or that the investment objective of such Fund will be achieved, or that any analytical model used by the relevant management company will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which such Fund has invested or will invest will prove accurate. The analytical models utilised by a management company of a Fund and upon which investment decisions are based may be developed from historical analysis of the performance or correlation of historical analysis of the performance or correlations of certain companies, securities, industries, countries or markets. There can be no assurance that the historical performance that is used to determine such analytical models will be a good indicator of future performance, and if the future performance of a Fund varies significantly, the management company of such Fund may not achieve its intended investment performance.

No assurance can be given that the strategies to be used by a Fund will be successful under all or any market conditions. A Fund may utilise financial instruments such as derivatives for investment purposes and/or seek to hedge against fluctuations in the relative values of the Fund's portfolio positions as a result of changes in exchange rates, interest rates, equity prices and levels of yields and prices of other securities. Such hedging transactions may not always achieve the intended outcome and can also limit potential gains.

The management of a Fund may have broad discretion over its investment strategy, within specified parameters. A Fund could, for example, alter its investment focus within a prescribed market. Any shift in strategy could bear adverse consequences to a Fund's investment performance. Further, a Fund may have difficulty realising on any strategy initiatives that it undertakes. It may not sometimes be clear whether the Fund fulfils the investment criteria set out in its investment guidelines.

4.21 Risks of Products linked to Underlying(s) which are Reference Rates including interest rates

Reference rates are mainly dependent upon the supply and demand for credit in the money market, i.e., the rates of interest paid on investments, determined by the interaction of supply of and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, or upon other factors, depending on the specific type of reference rate. Such factors affecting the performance of a reference rate may adversely affect the market value of, and return (if any) on, Products linked thereto.

In principle, the Issuer and/or the Calculation Agent (as the case may be) have no influence on the determination of the reference rate(s). Reference rates are generally calculated by an independent organisation or a governmental authority, often based on information provided by market participants. The entity publishing an interest rate or reference rate can modify the calculation method for determining such reference rate or make other methodological changes that could affect the value of the interest rate or reference rate. The calculation or dissemination of such reference rate may also be altered, discontinued or suspended. The entity publishing a reference rate is not involved in the offer and sale of the Products and has no obligation to invest therein. The entity publishing a reference rate may take any actions in respect of such reference rate without regard to the interests of the Investors in Products and any of these actions could adversely affect the market value of such Products.

4.22 Risks of Products linked to Underlying(s) which are Crypto Assets or which are linked to an Index referencing Crypto Assets

Risks relating to Crypto Assets generally

A Crypto Asset exists by reference to a distributed network ("**Digital Network**") designed as a tamper-resistant record of all transactions in the Crypto Assets native to that Digital Network. No single entity owns or operates the Digital Networks of the Crypto Assets. Rather, each one may be maintained by various groups such as: (i) network participants that use cryptographic and algorithmic protocols to process transactions or vote on protocol improvements; (ii) software developers who propose improvements to these protocols and related software; or (iii) governing bodies setting governance frameworks for the respective Digital Network. The supply of Crypto Assets is typically determined programmatically by its protocol but occasionally may also be controlled by a central entity or issuer. Unlike traditional "fiat" currencies, Crypto Assets are not issued by a sovereign government.

Products with Crypto Assets as underlyings are, among others, subject to risks associated with the use and technical operation of Digital Networks. Digital Networks are a form of technological infrastructure, the operation of which may be affected by a variety of factors including flaws in the underlying protocols or cryptography, cyber-attacks and network congestion. Some of these factors

are considered further below, although given this is a novel and rapidly evolving market and asset class, new risks may emerge over time.

The risks described herein may impact the Products and depending on the payout profile of a certain Product may (a) lead to difficulties in ascertaining the correct valuation for a Crypto Asset referenced in a Product, (b) negatively impact the Issuer's ability to provide a secondary market for the Product, (c) result in a temporary or even indefinite increase in the bid/offer spread for the Product, (d) result in the postponement of a relevant valuation date (and any corresponding payment date) or (e) result in the (early) termination of a Product (which could result in a loss to Investors in relation to the Product).

Risks relating to the volatility of Crypto Assets

The growth and development of the Crypto Asset industry is subject to a high degree of uncertainty and volatility. Changes in consumer demographics and public tastes and preferences over time can affect the further development of this industry, which in turn could affect the price of Crypto Assets in unexpected and unpredictable ways. Such changes in public tastes and preferences could be in response to, among other factors, the failure to maintain, update or improve Digital Network infrastructure or a growing perception that the use and holding of Crypto Assets is no longer safe and secure. Such perceptions may be further influenced by social media and news coverage. Changing public preferences and perceptions with respect to a Crypto Asset could cause their market price to fluctuate or fall (including to zero). This may, in turn, affect the value of a Product.

The value of Crypto Assets may change significantly over the course of a day. Changes and advances in technology, fraud, theft and cyber-attacks and regulatory changes, among others, may increase volatility significantly, increasing the risk of losses in respect of a Product linked to one or more Crypto Assets. In addition, the market for Crypto Assets is still at an early stage and the number of market participants is limited and may stay limited over the lifetime of the Product. A small number of market participants could trigger potentially significant (and adverse) price swings and illiquidity, which events could have a material adverse effect on the return on and value of the Product and its liquidity.

Risks relating to limited trading hours of the Products

Investors should note that the trading hours of Crypto Assets typically exceed the trading hours of the Products (see Risk Factor 4.8 (Whole-day trading of Products related to Currency Exchange Rates, Commodities or Crypto Assets) above). Investors therefore cannot invest in or divest the Product and react, among others, to price movements, changes in volatility, changes in investor sentiments or newsflow of the Crypto Assets outside the Product's trading hours.

Risks relating to the illiquidity of Crypto Assets

Liquidity (and relative liquidity) is another source of potential volatility for Crypto Asset prices. The overall size of many Crypto Asset markets can be significantly smaller than markets for other types of assets, potentially resulting in limited liquidity and increased volatility. Crypto Assets trade across different exchanges and in varied jurisdictions, so local and regional events can affect the liquidity, prices and volatility of Crypto Assets in unexpected ways. Liquidity can also be adversely affected by the development of updated or new technologies, market standard terms and new Crypto Assets and the migration of trading interest to such new assets or away from existing technologies and

market standard terms. This may cause fluctuations in the price of Crypto Assets which may in turn affect the value of a Product.

The liquidity of Crypto Assets and the volatility of Crypto Asset prices also depend on the concentration of owners of a Crypto Asset or the traders in such Crypto Assets. There is little transparency in the ownership of or trading interest in most Crypto Assets, nor are there generally limits on concentrated ownership or trading interest. Greater concentration in ownership or trading interest can lead to heightened volatility due to sharp swings in the level of supply or demand. High levels of concentration can also make a market susceptible to manipulation or distortion. Volatility, liquidity and concentration risk with respect to Crypto Assets may ultimately affect the terms of the Products referencing Crypto Assets.

Momentum Pricing

The value of Crypto Assets has previously been subject to momentum pricing caused by speculation regarding potential future appreciation in value. Momentum investing is typically associated with growth stocks and other assets whose valuation, as determined by the investing public, is impacted by anticipated future appreciation in value. Momentum investing in Crypto Assets may have resulted, and may continue to result, in speculation regarding potential future appreciation in the value of Crypto Assets, leading to increased inflation and volatility in their market value, which could affect the value of a Product.

Access to Crypto Assets

Investors in the Product do not have direct access to the Crypto Assets or all information relating to the Crypto Assets (among others such as information about storage, Service Provider(s) used for trading the Crypto Assets or the so called “private keys” required for accessing and transferring the Crypto Assets) and cannot transfer the Crypto Assets related to the Product to a private storage facility. This may make it difficult for Investors to hedge their exposure resulting from the Product.

Trust in Crypto Assets

Crypto Assets only exist virtually and in the majority of cases have no physical equivalent. Establishing a value for Crypto Assets is or may become difficult as the value depends on the expectation and trust that the relevant Crypto Assets have a future use. Among others, persistent high volatility, changes and advances in technology, fraud, theft and cyber-attacks and regulatory changes may prevent the establishment of Crypto Assets for future use and potentially rendering the Crypto Assets worthless.

Risks relating to cryptography and technology

Digital Networks and Crypto Assets depend upon cryptographic and algorithmic protocols that process transactions and compute the state of the transaction record. Malfunctioning nodes and/or errors in the underlying source code could jeopardise the integrity and security of the Digital Network. Material issues may be hard to overcome and/or easy to exploit improperly. In the extreme case, they may cause the entire Digital Network to fail such that the relevant Crypto Assets cease to exist entirely. Any issues with the operation of a Digital Network that affect the availability or value of the relevant Crypto Assets may affect the value of a Product with such underlyings.

Transactions in Crypto Assets are dependent on public key cryptography. Crypto Assets are recorded to an address that is typically a hash of a public key which corresponds cryptographically to a unique

private key. That private key is required to sign or authenticate any transfer of Crypto Assets recorded to the corresponding public key address. This cryptographic process is integral to the operation of Digital Networks and the transfer of Crypto Assets. Any flaw or vulnerability in the cryptography, or developments in mathematics and/or technology (including advances in digital computing, algebraic geometry and/or quantum computing) which may result in such cryptography becoming ineffective, could undermine the integrity of a Digital Network and confidence in the relevant Crypto Asset. This could affect the value of a Product with such underlyings.

In addition to maintaining a record of Crypto Asset transactions, Digital Networks (such as the Ethereum network) may also run 'smart contracts'. Smart contracts are computer programs that execute automatically upon the occurrence of certain pre-defined conditions. Like all software code, smart contracts are exposed to risk that the relevant code contains a bug or a security vulnerability, which can lead to loss of Crypto Assets that are held in or transacted through the smart contract, or otherwise cause the smart contract to not operate as intended or expected. Smart contract vulnerabilities may cause losses for Crypto Asset investors as well as undermine confidence in Digital Networks. This may affect the value of a Product with such underlyings.

Digital Networks utilize various consensus mechanisms, each with its own strengths and weaknesses. While these mechanisms aim to ensure network integrity, they may harbor vulnerabilities and may not be immune to risks or flaws.

For example, Crypto Assets based on a proof-of-work consensus mechanism are generated by solving mathematical problems to verify transactions (so-called mining), and the validators (so-called miners) are usually rewarded by receiving a certain amount of the Crypto Asset (so-called block reward). In the specific example of Bitcoin, there is a finite amount of the Crypto Assets (21 million in the case of Bitcoin) that may have been fully mined at a certain point in the future. The block rewards, excluding the transaction fees included in the block, decrease at a pre-determined rate as the mining approaches the final balance. As a result, the incentive for miners diminishes over time, which in turn can cause block validation to slow or even stop, which in turn could slow and eventually halt transactions on the blockchain. This would have a significant impact on the value of the Crypto Asset.

The market for Crypto Assets depends heavily on the availability and functioning of the internet for broadcasting, validating and recording of transactions. If there is a major disruption to the availability of the internet, for example in a particular geographic region, this may adversely affect the value of the Crypto Asset.

Transmitting participants can set the transaction fee themselves, giving validators an incentive to process transactions with high transaction fees before other transactions with lower transaction fees. This means that transaction processing can be slower than expected and, in extreme cases, a transaction can be delayed indefinitely.

As a result of the distributed ledger concept of blockchains, transactions are usually irreversible and there is also no governmental or private authority that could intervene to correct erroneous transactions. As a result, there is no immediate recourse in cases where erroneous transactions have occurred.

All these technological risks can – depending on the payout profile of a Product – have a significant negative impact on the market value of the Products and on the amount of the repayment of the Products.

Risks relating to changes in technology and lack of adoption

Technology relating to Crypto Assets is still at an early stage and best practices are still being developed. The relevant technology is likely to undergo significant changes in the future. Technological advances in, amongst other areas, cryptography, code breaking or quantum computing may pose a risk to the security of Crypto Assets and may facilitate price manipulation or, if applicable, forced consensus attacks by 'miners' and others. In addition, alternative technologies could be established, making Crypto Assets less relevant or obsolete. The functioning of Crypto Assets may rely on (potentially open-source) software. Developers of such software are not employed or controlled by the Issuer, a Hedging Entity thereof or any other party related to a Product. Developers may introduce weaknesses and programming errors into the software or may stop developing the software (potentially at a critical stage where a security update is required), keeping Crypto Assets exposed to weaknesses, programming errors and threats of fraud, theft and cyber-attacks. The inability to implement required changes to technology relating to Crypto Assets may negatively impact the Issuer's ability to provide a secondary market for a Product, may result in an increased bid/offer spread (potentially indefinitely) for a Product and may negatively impact the value of and return on a Product.

The source code or protocol on which the Crypto Assets are based is constantly being developed. The further development and acceptance of the protocol depends on a number of factors. The development of Crypto Assets could be affected or delayed if there is disagreement among participants, developers and members of the Digital Network.

New and improved versions of the protocol must be approved depending on the prevailing consensus mechanism of the underlying protocol, for example, by a majority of the members of the computing power of the Digital Network (proof-of-work consensus mechanism), based on the number of units held of the respective Crypto Assets (proof-of-stake consensus mechanism) or other consensus mechanism in order for the source code version to be updated. Should a consensus not be reached among the Digital Network participants to update the source code, this may result in urgent updates or improvements to the source code only being partially implemented or not being implemented at all. If the development of the source code is hindered or delayed, this may adversely affect the value of the Crypto Asset concerned.

In addition, there is a risk that one or more members of the Digital Network could control a majority of the Digital Network. In this case, the majority could potentially enforce changes to the source code that adversely affect the market value of the Crypto Asset concerned. Such changes could, for example, affect the verification procedure, the generation of private keys (which are required for the execution of transactions) or the subsequent deletion of transactions. Such changes could lead to a general loss of confidence in the Crypto Asset and possibly a complete cessation of trading. These scenarios are difficult to track in some cases and could permanently disrupt the equality of participants in the Digital Network. This would lead to a loss of reputation and a significant adverse impact on the market value of the Crypto Asset in question. Even if such negative scenarios do not occur, control over the majority of a Digital Network could have the same negative impact on the value of the Crypto Asset.

Another risk is that in the case of a publicly available (open source) protocol, the developers may have no incentive to further develop the source code due to a lack of remuneration. This could mean that the qualitative further development of the source code is hindered or delayed. If the source code, however, is not further developed, this could have a detrimental effect on the value of the Crypto Asset. Other factors that may affect the adoption and use of Crypto Assets, and therefore the value of the Products, include, but are not limited to (i) government and quasi-government regulation of Crypto Assets and their use, or restrictions on or regulation of access to and operation of Digital Networks, (ii) the use of the Digital Networks supporting Crypto Assets for developing smart contracts and distributed applications; and (iii) general economic conditions and the regulatory environment relating to Crypto Assets.

It is not clear how Crypto Assets and Digital Networks will be used in the future. New uses may emerge, existing uses may disappear, and prospective uses may fail to materialise. Each scenario could impact the value of Crypto Assets. These risks regarding the lack of adoption and/or changes in the technology can – depending on the payout profile of a Product – have a significant negative impact on the market value of the Products and on the amount of the repayment of the Products.

Risks relating to Forks and Crypto Asset Adjustment Events

When a modification to the Digital Network protocol for a Digital Network is adopted by a majority or significant minority of node operators, and it is not compatible with the protocol prior to its modification, the consequence may be a Fork Event, i.e., a "split" of the Digital Network. The effect of such a Fork Event is generally the existence of two (or more) versions of the network running in parallel; one version running the pre-modified protocol and the other running the modified protocol, each with its own version of the relevant Crypto Asset(s). If both Digital Networks continue to operate in parallel, they could potentially compete with each other for users, developers and node operators. The post-fork value of the Crypto Assets that exist by reference to each version of a Digital Network can be volatile and unpredictable. This may result in the holder owning the same Crypto Asset after the Fork Event as before the occurrence of such Fork Event, but at a lower market value. Further, one or both of the post-fork Digital Networks may not be supported by an adequate amount of node operators or developers and may be vulnerable to attack and other risks. Fork Events may ultimately affect the integrity and stability of a Digital Network and overall confidence in its Crypto Asset which may, in turn, impact the value of a Product referring to such underlying assets.

A Fork Event could also fundamentally alter the nature or functionality of a Digital Network and/or the Crypto Asset, which could have further consequences for a Product with such Crypto Assets as underlyings. Depending on its terms, the relevant Product may not account at all for the potential existence of multiple versions of the underlying Crypto Asset, may provide discretion for one of the parties to determine how to address the potential impact of a Fork Event, or may permit or require early termination or delayed settlement upon the occurrence of a Fork Event, all of which could affect the value of a Product.

As a result of one or more Crypto Asset Adjustment Events (including, but not limited to, (i) a material change in the method of calculating the Crypto Asset, (ii) a material change in the concept of the Crypto Asset (such as a Fork Event), (iii) the distribution of new assets to the owners of a Crypto Asset (so-called airdrop) or (iv) the introduction of a tax on the Crypto Asset or similar events having comparable effects for Investors), trading venues on which Crypto Assets are traded may suspend

(temporarily or indefinitely) the ability to trade Crypto Assets or a particular version of a Crypto Asset (where there are multiple versions of a Crypto Asset due to a process that results in a division or split of a Crypto Asset). Consequently, the Investors in the Product may (i) (in case of a Fork Event or another Crzpto Asset Adjustment Event) not get exposure (indefinitely) to all versions of a Crypto Asset and forego the value of one or more versions, or (ii) may get exposure to a version on a delayed basis (in which case that version might have a significant change in its value), or (iii) may not benefit or be negatively affected by a Crypto Asset Adjustment Event (e.g. Investors may not benefit from value increases relating to a Crypto Asset in connection with an airdrop). Following a Crypto Asset Adjustment Event, the Issuer may make (but has no obligation to make) an amendment to the Product. In addition, Crypto Asset Adjustment Events may result in instability of the relevant Crypto Asset or a particular version of the Crypto Asset and Crypto Asset Adjustment Events or the threat of a potential Crypto Asset Adjustment Events may prevent the establishment of the relevant Crypto Asset. Crypto Asset Adjustment Events may negatively impact the Issuer's ability to provide a secondary market for a Product, may result in an increased bid/offer spread (potentially indefinitely) for a Product or result in the (early) redemption of the Product.

Risks relating to fraud, theft and cyber attacks

The particular characteristics of Crypto Assets (e.g. only exist virtually on a Digital Network, transactions in the Crypto Asset may not be reversible and may be largely anonymous) make it an attractive target for fraud, theft and cyber-attacks. Investors in a Product linked to a Crypto Asset are exposed to fraud, theft and cyber-attacks, including: (i) any high profile losses as a result of such events may raise scepticism over the long-term future of Crypto Assets and may prevent the establishment of the Crypto Assets (or that particular Crypto Asset) and may increase the volatility and illiquidity of the relevant Crypto Asset; and (ii) any loss of the Issuer resulting from fraud, theft and cyber-attacks relating to service provider(s) may be borne by Investors. Transactions with Crypto Assets are usually public, but, in most cases, not the owners and recipients of the transactions. Crypto Assets can therefore potentially be used for criminal purposes such as money laundering. Such abuses can lead to trading platforms to be shut down by law enforcement agencies, or the blocking of funds on the platform. Investors in a Product linked to a Crypto Asset are exposed to such risks and the return on the Product could be negatively affected by any of such activities.

Risks relating to trading venues for Crypto Assets

The venues through which Crypto Assets trade are relatively new and may be more exposed to operational problems or failure than trading venues for other assets, which could adversely affect the value of Crypto Assets and therefore affect the value of a Product. These trading venues are also generally subject to different regulatory requirements than venues for trading more traditional assets and may be subject to limited or no regulation. They also experience cybercrime, hacks, and malware and have been shut down or have experienced losses of assets placed on the exchange. Furthermore, many such trading venues, including exchanges and over-the-counter trading venues, do not provide the public with significant information regarding their ownership structure, management teams, corporate practices or regulatory compliance. Such trading venues may impose transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of Crypto Assets for fiat currency difficult or impossible. They may also hold legal title to the Crypto Assets traded and held on the venue, such that the customer's asset is the trading venue's obligation to redeliver equivalent assets rather than a proprietary entitlement to the Crypto Assets themselves. In this scenario, the customer is exposed to the risk of losing its assets upon the insolvency of the

relevant trading venue. Moreover, a trading venue may hold Crypto Assets in multiple ways (including via a vertically integrated 'chain' of custodians), each of which may affect the nature of the customer's right to the Crypto Assets and expose the customer to additional operational and practical risks. Any loss of private keys or other issues related to the safeguarding of private keys required to sign or authenticate the transfer of Crypto Assets held by a trading venue (including through a 'chain' of sub-custody arrangements) could affect the price of Crypto Assets on that trading venue and/or the price of Crypto Assets generally.

Operational problems, clerical and systems errors, cyber-attacks, fraud or failed trading venues may disrupt the operation of Crypto Asset markets and reduce confidence in Crypto Assets generally. This could affect the price of Crypto Assets and, in turn, affect the value of a Product.

Regulatory Risks

The legal qualification of Crypto Assets may differ in each jurisdiction. Crypto Assets usually do not have a function as and/or the full characteristics of a legal tender and are usually not supervised by any authority or institution such as a central bank. Consequently, there is no authority or institution which may intervene in the market of a Crypto Asset to stabilise the value or prevent, mitigate or counter-attack irrational price developments.

Crypto Assets have been in existence for relatively short time only and various regulatory bodies in Switzerland and globally have or are in the process of taking a view on required regulatory actions relating to Crypto Assets and related products (e.g. regulation concerning money laundering, taxation, consumer protection, publication requirements or capital flows etc.). The lack of a uniform regulatory and tax framework makes it difficult to assess the corresponding risks. As Crypto Assets are often unregulated, there is a risk that future political, regulatory and legal (including tax) changes may adversely affect the market for Crypto Assets and the companies operating in this market. This could result in the relevant Crypto Asset to be adversely affected. The regulatory status of Crypto Assets and blockchain technology is therefore unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory authorities may apply existing regulation with respect to such technology and its applications, including specifically (but without limitation to) Crypto Assets. It is likewise difficult to predict how or whether any legislative or regulatory authorities may implement changes to law and regulation affecting blockchain technology and its applications, including Crypto Assets.

Any forthcoming regulatory actions may result in the illegality of Crypto Assets (and products relating to such Crypto Assets) or the implementation of controls relating to the trading (and therefore liquidity) of Crypto Assets. Forthcoming regulatory actions may also restrict the availability of markets and/or market participants permitted to engaged in transactions related to Crypto Assets. In addition, control mechanisms may increase transaction fees in Crypto Assets significantly (and therefore impact the bid/offer spread of the Product). Investors should ensure that investing in a Product with underlying Crypto Assets complies with their local regulation.

Crypto Assets can be acquired directly from an owner or through a trading platform. The regulatory requirements and subsequent licensing status of trading platforms are not harmonised and is unclear in certain cases, which requires extensive due diligence before trading Crypto Assets. As such, certain trading platforms have already had to cease operations due to a lack of regulation/local licensing and/or have been closed for other reasons.

The Issuer is dependent on trading Crypto Assets with reputable and verifiable trading platforms and OTC platforms. These trading platforms are affected by global and local economic conditions, market sentiment and regulatory changes relating to the underlying Crypto Assets. If this supply is curtailed or a disruption to the trading platforms occurs, market participants may not be able to trade their Crypto Assets.

If a trading platform loses shares of a Crypto Asset or has to cease operations, there is usually no specific legal protection (e.g. through a local deposit insurance scheme) covering losses of shares of a Crypto Asset held on the trading platform. This is true even if the trading platform's activity is officially authorised.

Risks relating to staking

The regulatory landscape surrounding Crypto Assets and staking activities is still evolving and varies significantly across jurisdictions. Regulatory changes, enforcement actions, or legal uncertainties could impact the legality, operation, or taxation of staking activities. Investors should seek legal advice to understand the regulatory implications of staking and ensure compliance with applicable laws and regulations. Staking typically involves the use of smart contracts, which are self-executing contracts with the terms of the agreement directly written into code. While smart contracts aim to automate and enforce the terms of staking agreements, they are still susceptible to coding errors, vulnerabilities, and exploits. Malicious actors or unforeseen technical issues could lead to financial losses or the unauthorised access and transfer of staked assets. Staking often requires participation in specific blockchain protocols or Digital Networks. Changes to the underlying protocols, such as software updates, consensus algorithm alterations, or governance decisions, could impact the staking process and the rewards received. Investors should stay informed about protocol developments and assess the potential implications for their staked assets.

Connected Party Risk

Depending on the design of the relevant Crypto Assets (centralised, decentralised), certain connected parties (management, developers, miners etc., as applicable) may pursue a strategy which could involve changes of the technical specifications (changes of the protocol) of the relevant Crypto Assets, and which may negatively impact the value, tradability, liquidity and security of the Crypto Assets.

Risks relating to transaction fees

Miners or validators receive transactions fees for processing and validating Crypto Asset transactions. The payment of transaction fees provides miners and validators with an economic incentive to continue processing and recording Crypto Asset transactions. Transaction fees are subject to market forces and may fluctuate. Increased transaction fees may adversely affect the price of the Crypto Assets. Miners and validators may cease their operations if the aggregate revenue from transaction fees is below their costs. This would reduce the collective processing power of the underlying infrastructure which would adversely affect the confirmation process for Crypto Asset transactions, making the underlying infrastructure more vulnerable to attacks. A reduction on confidence in the confirmation process or processing power of the underlying infrastructure may adversely affect the value of the Crypto Assets.

Risk relating to Public Data

Investors should be aware that any purchase and sale of Crypto Assets in connection with a Product is typically stored in a ledger (blockchain) and may, depending on the relevant Crypto Asset be visible to the public. Such ledger is neither a property of nor under control of the Issuer, a Hedging Entity thereof or any other party related to this Product. Information available on the ledger may be exploited or miss-used in, as of today, unforeseen ways.

Lack of supervision

A Crypto Asset may not have the function and/or the features of a legal tender and, if this is the case, are usually not supervised by an authority or state institution, such as a central bank. Consequently, there may be no authority or governmental institution that can intervene in the market of the relevant Crypto Asset in order to stabilise the value of the relevant Crypto Asset or to prevent, mitigate or counteract irrational price developments of the relevant Crypto Asset.

The characteristics of Crypto Assets and the underlying infrastructure could be exploited by certain market participants to take advantage of market abuse opportunities, such as front-running (a form of insider trading in which insider information about a future transaction is exploited to buy or sell financial assets for one's own account), spoofing (a form of fraud in which communications with the target are disguised in order to gain access to the target's personal information and/or Digital Network for further attacks), pump-and-dump (a form of fraud in which the price of a financial asset is artificially inflated by false and misleading information) and fraud across different systems, platforms or geographic locations. As a result of limited oversight, these practices may be more prevalent in the Crypto Asset market than in the general financial product market. Potential market abuse in the form of such practices may affect the market conditions of the Crypto Assets, thereby affecting the value of the Crypto Assets and subsequently the value of an investment in the Products.

Risks relating to price sources and service providers

Service Provider(s) used by the Issuer (or any of its Hedging Entities) for trading and holding/storing the relevant Crypto Assets (i) may cease to exist, (ii) may be subject to fraud, theft and cyber-attacks, (iii) regulatory requirements and the Issuer's internal compliance requirements may prevent the Issuer (or any of its Hedging Entities) from using a particular Service Provider to trade a relevant Crypto Asset, or (iv) a temporary or prolonged outage of systems used by Service Providers or blockchain protocols may negatively impact the Issuer’s ability to provide a secondary market for the Product partially or at all. The Issuer (or any Hedging Entity thereof) shall have the absolute right to remove, add or change one or more Service Providers at any time without notice if the terms agreed between the relevant Service Provider and the Issuer (or any Hedging Entity) are changed after the Relevant Event Determination Date. Notice of such change shall be given in accordance with General Condition 19 (Notices). This may potentially result in a larger bid-ask spread for a Product (e.g. due to a change in the trading commission payable to the Service Provider(s)). The Issuer (or any of its Hedging Entities) may not be able to replace a Service Provider, which may result in early termination of a Product.

Risks relating to stable coins

There are risks associated with so-called stable coins, i.e. Crypto Assets that are tied to an official currency, commodities or other Crypto Assets or by algorithmic formulas controlling the supply of stable coins.

Stable coins tied to official currencies, such as the US dollar, face similar risks that exist with respect to a direct investment in that currency. For example, an increase in the amount of currency in circulation by the central bank responsible for that currency may result in a decline in the value (inflation) of the currency. Furthermore, the development of the currency is linked to the respective economic developments as well as political and economic reactions to these developments. The price of the stable coin may therefore change as a result of actions outside the control of the Issuer and the market.

Furthermore, while stable coins are generally traded in a decentralised manner on a blockchain, as are many other Crypto Assets, there are certain third parties that may have a significant impact on the performance of the relevant stable coin. For example, the custodian of the reserves designated as collateral or a sponsor associated with the performance of the relevant stable coin (e.g. a foundation) may, through action or inaction, reduce the value of the relevant stable coin by, for example, (1) reducing the actual value of the reserves (e.g. by misusing the assets held for that purpose) or (2) giving priority to their own economic interests (e.g. in the case of stable coins held by themselves) over the interests of the remaining Investors in the relevant stable coin. The Investor may additionally be subject to the risk of default by such third party (e.g. in the case of insolvency of the administrator, sponsor or depository where the reserves are held).

Stable coins linked to commodities, such as gold, are subject to risks similar to those associated with a direct investment in such commodity. For example, gold is subject to regular price fluctuations depending on general market trends.

In the case of stable coins linked to other Crypto Assets, there are similar risks as in relation to a direct investment in these Crypto Assets and the risks described in this section 4.22.

In the case of stable coins that rely on reserves to stabilise prices, actual price stability is additionally dependent on the safety, custody and liquidity of the reserves. In particular, it is possible that at any given time only a portion of the total number of stable coins traded at any given time is backed by corresponding reserves. In addition, there may be a lack of transparency with respect to reserves, which in turn could jeopardise confidence in the relevant stable coin and ultimately result in significant price corrections.

In the case of stable coins that rely on algorithms for price stabilisation, there is a risk that this algorithm may fail with regard to price stabilisation or be manipulated by third parties. Lack of transparency with regard to the algorithm used can ultimately result in significant price corrections here as well.

Risks related to environmental impacts

Some Crypto Assets are associated with high energy consumption, especially in terms of mining. Against the backdrop of current global and local efforts to reduce the carbon footprint of the economy, and in particular of the financial industry, Crypto Assets may be subject to regulatory restrictions or rejection by Investors due to the negative environmental impact associated with some Crypto Assets. This may adversely affect the value of Crypto Assets.

4.23 Risks of Credit Linked Products

Credit Linked Products are Products where the amount payable depends on whether certain events as defined in the relevant Issue Terms ("**Credit Events**") have occurred in respect of one or more entities (together, the "**Reference Entities**" and each a "**Reference Entity**") and, if so, on the value of certain specified debt obligations of such Reference Entities or, if such events have occurred, the Issuer's obligation is to deliver certain specified assets upon redemption of the Products.

Prospective Investors in any such Products should be aware that depending on the terms of the Credit Linked Products (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

The market price of such Products may be volatile and will be affected by, amongst other things, the time remaining to the redemption date and the creditworthiness of the reference entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions, developments or trends in particular industries and changes in prevailing market rates over which the Issuer has no control. Investors should therefore conduct independent investigation and analysis of any relevant Reference Entities and the applicable Credit Events in order to evaluate the merits and risks of an investment in any Credit Linked Products.

The Issuer's obligations in respect of Credit Linked Products are independent of the existence or amount of the Issuer's and/or any affiliates' credit exposure to a reference entity and the Issuer and/or any affiliate need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

An investment in the Products issued under the Base Prospectus therefore involves substantial risks for the Investor. Upon acquiring the Products, the Investor bears the insolvency risk of the Issuer and the risk of the occurrence of a Credit Event with respect to the specific Reference Entity. This can have an effect on the redemption and interest for the Products. A total loss of the amount the Investor paid for the purchase of the Products is possible.

The probability that the risks addressed herein will materialise is largely dependent on the parameters set out in the Issue Terms. Examples for such parameters: the Reference Entity and the relevant period during which a Credit Event may occur (in most cases from the Credit Event Backstop Date, which is a date prior to the Trade Date, until the Scheduled Redemption Date or, in case of an extension, the Extension Date, each including). The Investor should always consider the parameters defined in the Issue Terms when assessing the risks.

Exposure to credit risks of Reference Entities

Credit Linked Products are exposed to the credit risks and other risks associated with the Reference Entities. The likelihood of a Credit Event occurring in respect of a Reference Entity generally fluctuates with, among other things, the financial condition of the Reference Entity, together with general economic conditions, the conditions of certain financial markets, political events, developments or trends in particular industries and changes in prevailing market rates.

Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Investors may suffer significant losses which could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for

reasons unrelated to such Reference Entity at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. Investors should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where Credit Linked Products are linked to more than one Reference Entity, the Investors should be aware that the credit and other risks associated with such Reference Entities may be correlated such that the likelihood of Relevant Credit Events occurring in respect of multiple Reference Entities simultaneously or the occurrence of a Relevant Credit Event in respect of any one Reference Entity may result in the occurrence or the increased likelihood of the occurrence of a Relevant Credit Event for other Reference Entities.

Occurrence of a Credit Event

The occurrence of a Credit Event has the effects as set out in the relevant Issue Terms. Investors should note that not all Credit Events applicable to specific Credit Linked Products have easily ascertainable triggers and disputes can and have arisen as to whether a specific event did or did not constitute a Credit Event. Investors should therefore carefully review the applicable Credit Events and their definitions as set out in the relevant Issue Terms. However, under the Credit Linked Conditions and subject to any subsequent determinations made by a Credit Derivatives Determinations Committee, the Issuer's determination of a Credit Event will, in the absence of manifest error, be conclusive and binding on all persons (including, without limitation, the Investors), notwithstanding the disagreement of such persons or other financial institutions, rating agencies or commentators. Examples of Credit Events that might apply to individual Credit Linked Products include Bankruptcy, Failure to Pay, Restructuring, Obligation Acceleration, Obligation Default and Repudiation/Moratorium. In addition, for certain Credit Linked Products, Governmental Intervention may apply. Investors should carefully review the applicable Credit Events and their definitions as applicable to the Credit Linked Products and independently evaluate their appropriateness to the Investors' objective for purchasing such Credit Linked Products.

As an Investor in Credit Linked Products, the Investor may suffer a loss of some or all of the investment in respect of one or more Relevant Credit Events that occur and which may or may not have been announced prior to the Initial Fixing Date or the Issue Date of the Credit Linked Products in question. Neither the Issuer, the Calculation Agent nor any of their respective affiliates has any responsibility to avoid or mitigate the effects of a Credit Event that is deemed to have taken place prior to the Initial Fixing Date or the Issue Date (as the case may be), and no such entity has any obligation to disclose to the Investor or to take into consideration any information, fact or matter including in relation to any such Relevant Credit Event.

Issuer discretion

The decision as to when and whether to deliver a Credit Event Notice and, if applicable, a Notice of Publicly Available Information, is at the discretion of the Issuer. Such notices are effective when published. The delivery of or failure to deliver such notices to Investors will not affect the effectiveness of such notices.

Effect of a Credit Event on the Credit Linked Products

The Investors should note that a Credit Event that occurred prior to the Initial Fixing Date or the Issue Date of Credit Linked Products may have a negative effect on the principal amount of the Products and/or the interest due under the Products.

In particular, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a redemption, where Cash Settlement or Auction Settlement applies, in a reduced nominal amount or at zero meaning that Investors may lose some or all of the principal amount invested, and, in relation to Physically Delivered CLPs, by delivery of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

In addition, the occurrence of a Credit Event in relation to any Reference Entity may reduce the interest payable on the Products if such interests are credit linked. Save as otherwise provided in the Terms and Conditions of the Credit Linked Products, no interest will accrue on the Credit Linked Products (or, if so provided in the Terms and Conditions of the Credit Linked Products, the relevant portion of the applicable Calculation Amount) on or after the Interest Expiration Date. Therefore, if any Credit Event occurs, Investors bear the risk of loss. The Investors should also acknowledge that these effects may occur also in relation to a Credit Event that occurred prior to the Initial Fixing Date or the Issue Date of a Credit Linked Product.

Furthermore, the Products may be redeemed prior to their scheduled maturity upon the occurrence of a Credit Event in relation to any Reference Entity. Where such Products are redeemed early following a Credit Event, Investors may lose some or all of the principal invested and will not receive the full amount of interest (if any) to the extent that interest on the Product is also credit linked. Furthermore, the value date of such redemption may be delayed until the scheduled maturity of the relevant Product. Investors may therefore be forced to wait a significant time following the occurrence of the Relevant Credit Event before they receive the redemption amount owed (if any).

Redemption may occur irrespective of whether the Relevant Credit Event is continuing on or after a Relevant Event Determination Date. The Credit Event Redemption Date, the Final Delivery Date or the Settlement Date may be later than the Scheduled Redemption Date and the point in time when the Credit Event Redemption Date, the Final Delivery Date or the Settlement Date occurs may depend on the result of any litigation as regards the determination of the Final Price or other terms relevant for the redemption of the Credit Linked Products. In certain circumstances, delivery of Deliverable Obligations contained in the Deliverable Obligations Portfolio may be delayed to a date beyond the Physical Settlement Date. If a Credit Event has occurred but a Credit Event Notice has not yet been served on or prior to the Scheduled Redemption Date, or, where the terms of the Credit Linked Products in question so permit, where an event or circumstance which may subsequently constitute a Relevant Credit Event has occurred, the Issuer may elect to extend the maturity of the Credit Linked Products by service of an Extension Notice. During the Extension Period, the Issuer may deliver a Credit Event Notice. Investors may suffer a loss of interest in such circumstances even where a Relevant Credit Event does not occur or the Issuer does not deliver a Credit Event Notice.

Certain Credit Linked Products may provide for settlement following a Relevant Credit Event to occur at the original scheduled maturity of such Credit Linked Products notwithstanding that the amount of such settlement obligations may be determined on or shortly following the occurrence of such Relevant Credit Event. Such Relevant Credit Event may occur at any time during the term of the Credit Linked Products in question and may occur substantially prior to the Scheduled Maturity Date of the Products, including prior to the Issue Date or Initial Fixing Date. In such case, in addition to

any loss of principal and interest, the Investor should note that holders of such Credit Linked Products will not receive any interest or other investment return on such amounts (which may represent the entirety of the return to Investors, in the case of Credit Linked Products linked to a single Reference Entity, or a portion of such return, in the case of Credit Linked Products linked to multiple Reference Entities) during the remaining period to the scheduled maturity of their Credit Linked Products. A realisation in the secondary market of the Credit Linked Products may be the only return potentially available to a holder of such Credit Linked Products prior the scheduled maturity of such Credit Linked Products.

Inaccuracy of public information

When considering the merits and risks of an investment in Credit Linked Products, the Investor should be aware that public information in respect of relevant Reference Entity or Entities may be inaccurate, out of date or misleading.

Replacement of the Reference Entities or the referenced obligations

If specified in the Issue Terms of a Credit Linked Product, the Issuer or a third party may be entitled to effect replacements of the entities, obligations and amounts comprising a reference portfolio for the Credit Linked Products in question in accordance with the relevant Issue Terms. As a result of such replacement, the affected Credit Linked Products may be linked to the credit of certain Reference Entities and its obligations which were not specified in the Issue Terms upon issuance. The credit risks associated with such successor underlying could potentially be greater or lesser than the credit risk of the Reference Entities originally specified in the relevant Issue Terms, which could adversely impact the value of the relevant Credit Linked Products (if the credit risk increases).

ISDA Credit Derivatives Definitions

Events and sets of facts which play an important role for the interest and redemption of the Products are defined in the Conditions. They are based on standard terms and conditions for financial instruments which depend on the occurrence of a Credit Event at one or more Reference Entities (Credit Derivatives).

The Credit Linked Conditions of this Programme comprise terms based on (but not identical to) the 2014 Credit Derivatives Definitions published by the International Swaps and Derivatives Association, Inc. (the "**2014 ISDA Definitions**"). The 2014 ISDA Definitions are applied by a committee established by ISDA. The members of the committee are traders and purchasers of Credit Derivatives. It has the name "ISDA Credit Derivatives Determinations Committee".

The Investor should pay attention to the fact that the 2014 ISDA Definitions, which form the basis for the decision by the ISDA Credit Derivatives Determinations Committees, are not made available by the Issuer or publicly available free of charge. The 2014 ISDA Definitions (as an English language version) may be purchased on the website of ISDA.

The Investor bears the risk that the interpretation of the 2014 ISDA Definitions, as amended and supplemented, can also change. Whilst there are many similarities between the terms used in this Programme and the 2014 ISDA Definitions, there are also many substantial differences and a prospective Investor should understand that only the terms and conditions of Credit Linked Products as set out in this Programme and the applicable Issue Terms apply. Consequently, investing in Credit

Linked Products is not necessarily equivalent to investing in a credit default swap that incorporates either the 2003 ISDA Definitions or the 2014 ISDA Definitions.

While ISDA has published and, where appropriate, supplemented the 2014 ISDA Definitions in order to facilitate transactions and promote uniformity in the credit derivatives market, the credit derivatives market has evolved over time and is expected to continue to change. Consequently, the 2014 ISDA Definitions and the terms applied to credit derivatives generally, including Credit Linked Products are subject to further evolution. Past events have shown that the view of market participants may differ as to how either set of the ISDA Definitions operate or should operate. As a result of the continued evolution of the market, the Credit Linked Products may not conform to future market standards. Such a result may have a negative impact on the Credit Linked Products and there can be no assurances that changes to the terms applicable to credit derivatives generally will be predictable or favourable to the Issuer or the Investors. In addition, these changes can be reflected in the decisions of the Issuer, for example, in the decision about whether a Credit Event has occurred with regard to a Reference Entity.

Determinations by Credit Derivatives Determinations Committees

Certain determinations with respect to Credit Linked Products may be made by reference to a determination of a Credit Derivatives Determinations Committee. Such committees make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Credit Derivatives Determinations Committees are regional committees composed of significant participants in the credit default swap market in the applicable region. Credit Derivatives Determinations Committees are typically composed of both the largest dealers in credit default swaps as well as non-dealers, but dealers typically significantly outnumber non-dealers. Further information about the Credit Derivatives Determinations Committees may be found at https://www.cdsdeterminationscommittees.org.

Whether or not a Credit Event has occurred or a succession event (or in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to such Reference Entity has been determined, and certain decisions relating thereto, may be dependent on determinations made by the Credit Derivatives Determinations Committee. In certain circumstances, determinations made by the Determination Agent may be overridden by subsequent determinations made by a Credit Derivatives Determinations Committee. If the Issuer delivers a Credit Event Notice or a Successor Notice to an Investor, such Investor should be aware that such notice may be superseded by a determination of a Credit Derivatives Determinations Committee.

The procedures of the Credit Derivatives Determinations Committees are set out in the DC Rules. The DC Rules may be amended by a Credit Derivatives Determinations Committee in accordance with the DC Rules. None of ISDA, DC Administration Services Inc., the DC Secretary, the institutions serving on the Credit Derivatives Determinations Committees, or any external reviewers owes any duty to any Investor in such capacity, and any Investor may be prevented from pursuing claims with respect to actions taken by such persons under the DC Rules. Institutions serving on a Credit Derivatives Determinations Committee may base their votes on information that is not available to an Investor, and have no duty to research, investigate, supplement or verify the accuracy of information on which a determination is based. In addition, a Credit Derivatives Determinations Committee is not obligated to follow previous determinations or to apply principles of interpretation such as those that might guide a court in interpreting contractual provisions. Therefore, a Credit

Derivatives Determinations Committee could reach a different determination on a similar set of facts.

Publications, determinations or resolutions of ISDA and/or the ISDA Credit Derivatives Determinations Committee are published on their internet page. There is no duty of the Issuer to inform the Investor about these publications, determinations or resolutions.

Risks relating to Auction Settlement of Credit Linked Products

Where an Auction Final Price Determination Date occurs in respect of Credit Linked Products, the Auction Final Price will be determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time. The Auction Final Price determined pursuant to an auction may be less than the market value that would otherwise have been determined in respect of the relevant Reference Obligation.

The Issuer and the Investors may have little or no influence in the outcome of any such auction. However, there is a possibility that the Issuer or the Calculation Agent (or one of their affiliates) would act as a participating bidder in any such auction. In such capacity, it may take certain actions which may influence the Auction Final Price including (without limitation): (a) providing rates of conversion to determine the applicable currency conversion rates to be used to convert any obligations which are not denominated in the auction currency into such currency for the purposes of the auction; and (b) submitting bids, offers and physical settlement requests with respect to the relevant Deliverable Obligations. In deciding whether to take any such action (or whether to act as a participating bidder in any auction), neither the Issuer nor the Calculation Agent (or any of their affiliates) shall be under any obligation to consider the interests of any Investors and, as a result, may take action that is adverse to the interests of the Investors.

Deferral of Payment following the occurrence of a Credit Event

It can take a long time until the Issuer has determined a Credit Event. Therefore, the Investor bears the risk that payments on the Products will be suspended or deferred by the Issuer. This can affect both interest as well as the redemption of the Products. Suspensions or deferrals are possible if it is not clear at the time of payment whether the requirements for the occurrence of a Credit Event exist.

If a suspension or deferral of payments occurs, the Issuer has the following possibilities: The Issuer can pay the interest amount becoming due after the relevant Coupon Payment Date, and the Issuer can defer the payment of the Redemption Amount (in whole or in part) by service of an Extension Notice. Until the applicable Extension Date, the Issuer may deliver a Credit Event Notice. Investors may suffer a loss of interest in such circumstances even where a Relevant Credit Event does not occur or the Issuer does not deliver a Credit Event Notice.

Obligations of Refence Entity having the status of "distressed" obligations

The Investor should also be aware that obligations of the Reference Entity are also most likely completely or partially lost after a Credit Event. This means: The obligations of the Reference Entity are no longer paid by the Reference Entity. Under these circumstances, these "distressed" obligations are traded and valued with corresponding deductions. This means that they are traded at a price which might be substantially below the price of the obligations prior to the Credit Event.

No recourse against the Reference Entity

The Products do not establish any legal relationship between the Investor and the respective Reference Entity. The Products are neither guaranteed nor otherwise secured by the respective Reference Entity.

If a Credit Event occurs, the Investor has no claims for damages or other claims against the relevant Reference Entity. The Investor also does not benefit from any positive developments at the relevant Reference Entity after the occurrence of a Credit Event. Especially the consequences from the occurrence of a Credit Event described in the Terms and Conditions can not be reversed. In the case of a Restructuring, the Investor does not participate in the restructuring process. The Investor is especially not entitled to completely or partially challenge the restructuring process.

Cash Settlement

If 'Cash Settlement' is specified as applicable with respect to any Credit Linked Products, or deemed to apply pursuant to the Issuer CLS Settlement Method or the Fallback CLS Settlement Method, then the Determination Agent will value the Reference Obligation by asking for quotations from Dealers. The date, time and method of such auction, and the selection of the Reference Obligation, will impact the Final Price. The Dealers selected by the Determination Agent must be financial institutions, funds or other entities that purchase or deal in obligations similar to the Reference Obligation and may include the Issuer; however, the Dealers have no duty towards any Investor and may not be aware that the purpose of the auction is to determine a Final Price for purposes of the Credit Linked Products or any other Products. The Investor should note that the Final Price determined pursuant to a dealer poll may be significantly different to the Auction Final Price.

Physical Settlement

In relation to Physically Delivered CLPs, upon the occurrence of an Event Determination Date, the Calculation Agent has the discretion to select Deliverable Obligations of the Reference Entity for delivery to the Investors. It is likely that the Deliverable Obligations selected by the Calculation Agent are obligations of the Reference Entity with the lowest market value that are permitted to be delivered in accordance with the terms of the Products. In addition, the Deliverable Obligations may be illiquid and such illiquidity may be more pronounced following the occurrence of a Credit Event, thereby adversely affecting the value of the relevant Deliverable Obligation. The Calculation Agent has no liability to account to the Investors or any other person for any profit or other benefit to any of its affiliates which may result directly or indirectly from such selection.

Risks in respect of Redemption Failures

A Redemption Failure Event may occur if (a) it is impossible or illegal for the Issuer to pay the Investor or for the Investor to receive payments of any cash amount due (including, without limitation, the obligation to pay any Credit Event Redemption Amount) or (b) the Investor fails to surrender a Credit Linked Product for cancellation or endorsement on the date they are obliged to do so.

In relation to Physically Delivered CLPs, if a Redemption Failure Event occurs, the Credit Linked Product may be subject to alternative settlement and may, in certain circumstances, be redeemed without any payment or Delivery by the Issuer. If the minimum denomination of Deliverable Obligations is not a whole integral number of the amount of the Deliverable Obligations Portfolio, the Issuer may Deliver such whole integral amount of the Deliverable Obligations Portfolio and cash

settle the fractional shortfall. The Credit Linked Conditions relating to partial Cash Settlement may apply in respect of any undeliverable portion of a Deliverable Obligations Portfolio.

Upon the occurrence of a Redemption Failure Event, payment of any cash amount due will be postponed. If such Redemption Failure Event continues for 180 calendar days, no payments will be made and the Issuer's obligations will be deemed to be fully discharged as of that date.

While the Investor is entitled to request payment to another account or person if the Redemption Failure Event continues for ten Business Days, this request can only be made if the Issuer first receives an irrevocable and unconditional release and indemnity in respect of liabilities arising therefrom and the Issuer may in any case refuse such request. Should the request be accepted, the Investor will be exposed to liabilities arising as a result of such request.

If a Redemption Failure Event occurs, payments to the Investor may be delayed and the Investor will not be able to reinvest the amounts and will also not be entitled to any interest or other payment as a result of the delay. If the Redemption Failure Event continues for 180 calendar days, the Issuer's payment obligations will be deemed to have been discharged. This can lead to a total loss of the amount the Investor paid for the purchase.

Increased risk in respect of Nth-to-Default Products

Nth-to-Default Products create a leveraged exposure to the credit risk of Reference Entities as the Investors can lose a significant part or the total amount of their investment as soon as the Nth Reference Entities has been subject to a Credit Event. Accordingly, Investors will be exposed to the credit risk of each stipulated Reference Entity. A lower Nth Reference Entity value and / or a greater number of Reference Entities may lead to a higher risk associated with the Product.

Potential Increased risk in respect of Credit Linked Products on a Tranche

Index or Portfolio Credit Linked Products on a Tranche may create a leveraged exposure to the credit risk of Reference Entities as the Investors may lose a significant part or the total amount of their investment once a pre-specified number or portion of Reference Entities within the Credit Index (or Portfolio) have been subject to a Credit Event. Accordingly, Investors will be exposed to the credit risk of each stipulated Reference Entity within the index or portfolio. A greater number of Reference Entities may lead to a greater degree of risk.

Risks related to Issuer Call Option

Where the terms and conditions of the relevant Product provides either Issuer Call Option to be applicable, the yields received upon cancellation following a call by the Issuer may be lower than expected, and – in case the redemption amount is not specified as a fixed Issuer Call Option Redemption Amount – the amount received by the Investor may be lower than the initial price the Investor paid for the Products and may be zero.

4.24 Quanto Feature

If applicable, the quanto feature mitigates the currency exposure on the Product payoff on the Redemption Date or the Expiration Date. Hence, on the Redemption Date or Expiration Date, a Product denominated in a currency different from the Underlying’s currency, will have a payoff calculated only on the performance of the Underlying. The exchange rate between the two currencies will not be taken into account at such time. During the life of the Product, the non-

exposure to currency risk may come at a cost or benefit depending on the difference between the domestic and foreign interest rates and the exchange rates between the currencies.

4.25 Risks relating to the regulation of certain published rates, indices and other values or "benchmarks"

A number of major interest rates, other rates, indices and other published values or benchmarks are the subject of national and international regulatory reforms. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value of and return on Products linked to any such value or benchmark.

The Benchmark Regulation

The 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 (the "**Benchmark Regulation**") is a key element of ongoing regulatory reform in the EU and has applied, subject to certain transitional provisions, since 1 January 2018. In addition to so-called "critical benchmarks" such as EURIBOR, other interest rates, foreign exchange rates, and indices, including equity, commodity and "proprietary" indices or strategies, will in most cases be within scope of the Benchmark Regulation as "benchmarks" where they are used to determine the amount payable under, or the value of, certain financial instruments (including Products listed on an EU regulated market or EU multilateral trading facility (MTF)), and in a number of other circumstances.

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

The Benchmark Regulation could have a material impact on Products linked to a 'benchmark'. For example:

- A rate or index which is a 'benchmark' may not be used in certain ways by an EU supervised entity if (subject to applicable transitional provisions) its administrator does not obtain authorisation or registration (or, if a non-EU entity, does not satisfy the 'equivalence' conditions and is not 'recognised' pending an equivalence decision);
- The methodology or other terms of the benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could reduce or increase the rate or level or affect the volatility of the published rate or level, and (depending on the terms of the particular Products) could lead to adjustments to the terms of the Products, including potentially determination by the Calculation Agent of the rate or level in its discretion; and

- The ongoing and increasing regulation of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer certain benchmarks or to participate in the determination of certain benchmarks, triggering changes in the rules or methodologies used in certain benchmarks or leading to the disappearance of the benchmark.

In this regard, there is a risk that a benchmark may be changed in substance and thereafter performs differently than it has done in the past and may not be continued or may not be used in connection with the Products. Moreover, a competent authority may order the cessation of a certain benchmark which is not or no longer compliant with legal requirements or may declare a benchmark as no longer being representative for the underlying market it measures. In such cases, it should be noted that it is in the discretion of the Issuer to make adjustments to the terms of the Products, to delist or to early redeem the Products (as applicable).

Any such consequence could have a material adverse effect on the value of and yield on any Products linked to such a benchmark.

Reform and replacement of Interbank Offered Rates

Except for certain synthetic LIBOR rates that are available for a limited time, all LIBOR settings have meanwhile ceased to be published. So called "risk free rates" ("**RFR**") have been identified to take the place of the discontinued LIBOR rates as primary benchmarks. This includes (i) for sterling LIBOR, a reformed Sterling Overnight Index Average ("**SONIA**"), (ii) for EONIA, a new Euro Short-Term Rate ("**€STR**") as the new euro risk- free rate, (iii) for USD LIBOR, the Secured Overnight Financing Rate ("**SOFR**") as the primary US dollar interest rate benchmark, and (iv) for CHF LIBOR, the Swiss Average Rate Overnight ("**SARON**") established as new primary CHF interest rate benchmark. Other Interbank Offered Rates ("**IBORs**"), such as EURIBOR, and – for the limited time they are available – certain synthetic LIBOR rates continue to be published.

While IBORs represented interbank funding over different maturities, RFRs are overnight rates and have a different methodology and other important differences from the IBORs they replace. RFR have little, if any, historical track records. As a result, RFRs can perform materially different than the replaced IBOR, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global or regional economic, financial, political, regulatory, judicial or other events. For example, since publication of SOFR began in April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

RFRs are published based on data received from other sources, the Issuer has no control over. It can not be excluded that a RFR will be discontinued or fundamentally altered in a material manner. An established trading market for RFR based Products may never develop or may not be very liquid. Market terms for debt securities that are linked to a RFR, such as the spread over the base rate reflected in the interest rate provisions, may evolve over time, and as a result, trading prices of RFR based Products may be lower than those of later-issued debt securities that are linked to RFR. Similarly, if a RFR does not prove to be widely used in debt securities that are similar or comparable to the RFR based Products, the trading price of RFR based Products may be lower than those of debt securities that are linked to rates that are more widely used. Furthermore, interest on RFR based

Products is only capable of being determined immediately or shortly prior to the relevant Coupon Payment Date. It might be difficult for Investors to estimate reliably the amount of interest that will be payable on such Products, and Investors might be unable or unwilling to trade such Products.

The methodologies used to calculate synthetic LIBOR rates may differ significantly from the original LIBOR framework, leading to potential discrepancies in interest rate calculations and cash flow projections. Synthetic LIBOR rates are only available for legacy products. The remaining synthetic USD LIBOR rates are scheduled to be discontinued on 30 September 2024.

All these factors may materially impact the return on the Products, its market value as well as liquidity. Investors in the RFR based Products or, as long as they are published, synthetic LIBOR based Products may not be able to sell the Products at all or may not be able to sell the Products at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer losses from increased pricing volatility and market risk.

4.26 Risk Related to Products linked to a reference asset denominated in Renminbi and Renminbi - denominated Products

For the purpose of this Programme and where the context requires, "Renminbi" or "CNY" refers to the lawful currency of the People's Republic of China ("**PRC**"). "CNY" is the official (ISO) code on the currency markets. CNY is not available and not tradable outside of the PRC. Therefore "CNH" has been established as offshore deliverable CNY. CNH is not an official ISO code and is only used as a technical term for differentiation between the currency used/traded in the PRC (CNY) and the respective offshore tradable and deliverable currency (CNH).

Renminbi is subject to PRC exchange control policies and there is limited availability of Renminbi outside the PRC

Renminbi is not freely convertible and is subject to exchange control policies and restrictions of the PRC government. As a result of restrictions imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited, which may adversely affect the liquidity of Renminbi outside the PRC, which in turn may adversely affect the market value, and the potential return, of the Product.

Risks relating to Renminbi exchange rate and interest rate

The Product will be denominated and settled in Renminbi outside the PRC. The exchange rate of, and interest rate for, Renminbi outside the PRC may be different from the same in the PRC. The value of Renminbi against Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political, economic and market conditions and by many other factors. There is no guarantee that Renminbi will not depreciate and any devaluation of Renminbi could adversely affect the market value of the Product. In addition, interest rates for Renminbi in the PRC are government controlled. The PRC government may further liberalise the regulation of interest rates for Renminbi in the PRC which may increase interest rate volatility for Renminbi outside the PRC. Any fluctuation in interest rates for Renminbi outside the PRC may adversely affect the market value, and the potential return, of the Product.

Renminbi payment risk

If the settlement currency of the Product is Renminbi, and a FX Disruption Event has occurred and is continuing on, a scheduled date of payment, payment may be made in USD on the postponed payment date. In such case, there may be a delay in payments under the Product and no interest will be payable for any such delay. Investors may also suffer a loss in USD terms if Renminbi depreciates against the USD following the occurrence of a FX Disruption Event.

4.27 Risks related to Underlying listed and traded in China

China Connect risk

If the Underlying(s) are eligible securities listed and traded on the SSE and SZSE ("**China Connect Securities**") (as in the case of A-Shares as Underlying), foreign Investors may invest in such China Connect Securities through China Connect. The respective Hedging Entity may (but is not obliged to) choose to hedge obligations under the Products using China Connect.

Trading through China Connect is subject to a number of restrictions which may restrict or affect an investment in China Connect Securities, including (but not restricted to) the application of PRC law and regulation to investors in China Connect Securities, pre-trade checking to prevent naked short-selling, the application of aggregate and daily RMB quotas and restrictions on the ability of an investor to take up certain types of rights issuances through China Connect. In particular, it should be noted that China Connect is in its initial stages. Further developments are likely and there is no assurance as to whether or how such developments may restrict or affect an investment in China Connect Securities. In addition, the laws and regulations of Hong Kong and the PRC, and the rules, policies or guidelines published or applied by any regulator which regulates China Connect and activities relating to China Connect (including without limitation, the China Securities Regulatory Commission (CSRS), People's Bank of China (PBOC), State Administration of Foreign Exchange (SAFE), Securities and Futures Commission (SFC), Hong Kong Monetary Authority (HKMA) or any other regulator, agency or authority with jurisdiction, authority or responsibility in respect of China Connect), or any exchange, clearing system or other entity which provides services relating to China Connect (including without limitation, the Stock Exchange of Hong Kong (SEHK) and any relevant subsidiary, Hong Kong Securities Clearing Company (HKSCC), Shanghai Stock Exchange (SSE), Shenzhen Stock Exchange (SZSE) or China Securities Depository and Clearing Corporation (CSDCC) from time to time in respect of China Connect or any activities arising from China Connect are new and subject to change, and there may be uncertainty as to their interpretation and/or implementation).

These potential restrictions and uncertainties relating to China Connect may trigger a Hedging Disruption, a Market Disruption Event or an Additional Disruption Event. Even if trading on the SSE or SZSE continues uninterrupted, such events concerning China Connect could lead to adjustments to the terms of the Products or to their redemption earlier, or later, than scheduled. Such uncertainty and any potential change of the laws and regulations in the PRC for the China Connect may adversely impact on the performance of the Underlying and may also have a potential retrospective effect. These changes may in turn adversely affect the market value of the Product, which may result in a partial or total loss of the invested capital.

Risks of investing in the PRC securities market and derivative instruments relating to it

The PRC capital market is still at a premature stage. Regulation of the PRC capital market is heavily influenced by government policies and is less transparent and less efficient than the regulation of

developed capital markets. There still remain allegations and convictions of malpractices such as market manipulation and insider trading. The stock price of a PRC listed company may not therefore reasonably reflect its intrinsic value. In addition, the disclosure of information by a PRC company with respect to its financial status may not always be complete and reliable. If the stock price of a PRC listed company does not reasonably reflect its intrinsic value, such pricing inaccuracy will be passed through to derivative instruments such as the Products.

Investment in the PRC securities markets (which are inherently stock markets with restricted access) involves certain risks and special considerations as compared with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.

4.28 Risks in respect of the regulatory framework relating to sustainability

Unless otherwise specified in the Issue Terms with respect to any Product, the following shall be deemed to apply: The Products are not classified as sustainable. No representation as to the sustainability – within the meaning of Regulation (EU) 2020/852 (Taxonomy Regulation) and Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation) or any other sustainability-related law or regulation – of the Products or any Underlying is provided. Any reference to sustainability-related terms in relation to the Products or any Underlying shall not imply the provision of any such representation by the Issuer or the Lead Manager, as applicable. It is furthermore specified that the Products are not aimed at clients with specific needs regarding sustainability preferences pursuant to Art. 2 No. 7 of the MiFID II Delegated Regulation (EU) 2017/565.

Investors should be aware that the regulatory framework relating to sustainability is subject to continuous developments and may vary significantly across jurisdictions. Changes in related regulations, policies, or enforcement actions could impact the availability, performance, and viability of the Products.

Certain Products may define environmental, social or governance objectives. Such objectives are only applicable to the extent specified in the relevant documentation governing the Product. The Product shall not be deemed to include any such objectives without a specific reference thereto in the documentation of the Product, provided that any such objectives may change during the term of the Product.

There is a risk that a specified objective does not meet the individual objectives and expectations or relevant investment criteria and guidelines of an Investor. Potential Investors should therefore independently and continuously assess the information related to specific objectives and needs, such as the sustainability of the Product, and determine for themselves whether an investment in the Product meets individual objectives and expectations or relevant investment criteria and guidelines.

4.29 Protection Amount

If and to the extent that a capital protection has been declared applicable in the relevant Issue Terms, the Products will be redeemed at maturity for an amount no less than the specified protection. A capital protection may apply at a level below, at or above the nominal value of the Product. The capital protection, if any, will not be due if the Products are redeemed prior to their Redemption Date, upon the occurrence of a Market Disruption Event, or upon a Tax Call, as defined in the General

Conditions. If no capital protection is applicable, the full amount invested by the Investor may be lost. Even if a capital protection applies, the return may be less than the capital protection specified in the Issue Terms. The payment of the protection amount may be affected by the condition (financial or otherwise) of the Issuer.

In particular, Investors are exposed to the credit risk of the Issuer (see Risk Factors 4.5 (Risks relating to certain features of the Products), 4.33 (No Supervision by the Swiss Financial Market Supervisory Authority (FINMA)), 5.2 (General Insolvency Risk) and 5.3 a) (Client and Counterparty Credit Risk).

Investors must be willing and prepared to hold their Product until the Expiration Date. The invested amount is protected only, as specified in the relevant Issue Terms, if the Investor holds the Product until the Expiration Date. If an Investor sells the Product in the secondary market prior to the Expiration Date, the Investor will not have capital protection on the Product sold.

4.30 Views of the Issuer and/or the Lead Manager and Research Reports published by the Issuer and/or the Lead Manager

The Issuer and/or the Lead Manager and their affiliates may express views on expected movements in any relevant markets in the ordinary course of their businesses. These views are sometimes communicated to clients who participate in these markets. However, these views, depending upon global economic, political and other developments, may vary over differing time-horizons and are subject to change. Moreover, other professionals who deal in these markets may at any time have significantly different views from the views of the Issuer and/or the Lead Manager and their affiliates. Investors should derive information about the relevant markets from multiple sources. Investors should investigate these markets and not rely solely upon views which may be expressed by the Issuer and/or the Lead Manager or their affiliates in the ordinary course of the Issuer's and/or the Lead Manager’s or their affiliates' businesses.

The Issuer and/or the Lead Manager or one or more of their affiliates may, at present or in the future, publish research reports with respect to movements in equity, commodity or other financial markets generally or the relevant securities. Such research is modified without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Products. Any of these activities may affect the market value of the Products.

4.31 Products and/or Underlyings listed on the SIX Swiss Exchange, BX Swiss or any other trading venue (including multilateral trading systems) may be suspended from trading

SIX respectively SIX Exchange Regulation, BX Swiss or any other applicable trading venue (including multilateral trading systems) provide for rules determining admissible underlying instruments for derivatives (including Structured Products). It cannot be excluded that during the lifetime of the Product, the Underlying is suspended from trading or de-listed from SIX, BX Swiss or any other applicable trading venue (including multilateral trading systems) for reasons beyond the reasonable control of the Issuer. In case the Underlying of a Product is suspended from trading or de-listed, this might have material adverse effects on the Product and/or, among other reasons, might also lead to the suspension or de-listing of the Product.

In addition, it cannot be excluded that the Products may be suspended from trading or de-listed from SIX, BX Swiss or any other applicable trading venue (including multilateral trading systems) during the lifetime of the respective Product for other reasons.

Furthermore, SIX may temporarily suspend trading at the request of the Issuer or on their own initiative if this is deemed necessary in exceptional circumstances, in particular in the event of suspected price manipulation, falsification or criminal activity. If trading has been suspended for a continuous three-month period, the Products are delisted according to the relevant rules of SIX, unless the reasons for the suspension cease to exist.In either case, there could be an adverse impact on the value of and return on the Product.

4.32 Amendment of the Terms and Conditions of the Products by the Issuer

The Terms and Conditions of the Products may be amended by the Issuer without the consent of the Investors in any of the following circumstances:

- To cure a manifest or proven error or omission;
- Where such amendment will not materially and adversely affect the interests of Investors;
- To correct or supplement any defective provision;
- Where the amendment is of a formal, minor or technical nature;
- To comply with mandatory provisions of law; and
- As a result of certain events in respect of the Underlyings (including, but not limited to, adjustment events, potential adjustment events, extraordinary events and additional disruption events (as specified in the relevant Underlying Specific Conditions)).

For these reasons, in the above circumstances, the Terms and Conditions of an Investor's Product may be amended without the Investor's consent and/or against the Investor's wishes.

4.33 No Supervision by the Swiss Financial Market Supervisory Authority (FINMA)

The Products are derivative financial instruments. They do not qualify as units of a collective investment scheme according to the relevant provisions of the Federal Act on Collective Investment Schemes ("**CISA**"), as amended, and are neither registered thereunder. Therefore, the Products are neither governed by the CISA nor supervised by the Swiss Financial Market Supervisory Authority ("**FINMA**"). Accordingly, the Investor does not have the benefit of the specific Investor protection provided under the CISA. Investors should be aware that they are exposed to the credit risk of the Issuer.

4.34 Legal regulations concerning dividend equivalent payments

Under Section 1471 through 1474 of the U.S. Internal Revenue Code, as amended, and the regulations promulgated thereunder (collectively referred to as "**FATCA**"), the Issuer may, under certain circumstances, be required to withhold U.S. tax at a rate of 30 percent on all or a portion of interest, principal or other payments on the Products if such payments are treated as "foreign passthru payments" made to foreign financial institutions, unless such foreign financial institution payee complies with applicable FATCA requirements, or other entity payees subject to FATCA withholding. On 13 December 2018, the Internal Revenue Service (IRS) has issued proposed FATCA confirming the deferral of the withholding on "foreign passthru payments" until at least 2 years from the date foreign passthru payments are formally defined in law. As a result, non-U.S. source payments (not subject to Section 871(m)) generally should not be subject to a FATCA withholding tax for the time being.

Nonetheless, if an amount in respect of FATCA withholding tax were to be deducted or withheld from interest, principal or other payments on the Products as a result of a payee's or holder's failure to comply with FATCA, none of the Issuer, any Paying Agent or any other person would, pursuant to the Terms and Conditions, be required to pay additional amounts or to compensate the payee or the holder as a result of the deduction or withholding of such tax.

Since 1 January 2017, U.S. withholding tax applies to certain payments arising from products treated as in-scope pursuant to Section 871(m) of the U.S. Internal Revenue Code and the corresponding regulations issued by the IRS. If an amount in respect of Section 871(m) were to be deducted or withheld from interest, principal or other payments on the Products, none of the Issuer, any Paying Agent or any other person would, pursuant to the Terms and Conditions, be required to pay additional amounts or to compensate the payee or the holder as a result of the deduction or withholding of such tax. Applicable U.S. withholding tax is deducted regardless of any exemption from or reduction of withholding or deduction otherwise permitted under applicable law.

4.35 Risk related to bail-in of senior debt and other eligible liabilities

The SRM Regulation, amongst other things, provides the Single Resolution Board (the "**SRB**") and the national resolution authorities of participating EU Member States (in the Grand Duchy of Luxembourg, the Commission de Surveillance du Secteur Financier (the "**CSSF**") acting in its capacity of resolution authority (the "**Luxembourg Resolution Authority**")) with a set of resolution tools and resolution powers. These include the power (i) to sell or merge the business operations or parts of the individual business units with another bank (sale of business tool), or (ii) to set up a temporary bridge bank to operate critical functions, rights or liabilities (bridge institution tool). Furthermore, among others, these include the power (iii) to separate sound assets from impaired assets or assets at risk of default (asset separation tool), or (iv) to convert bail-inable liabilities (as defined in Article 3(1)(49) of the SRM Regulation) of the Issuer, including liabilities under the Products into equity of the Issuer or another legal entity or to permanently reduce their principal amount to potentially zero, or (v) to amend the terms and conditions of the Products.

In the event of a resolution of the Issuer, the Luxembourg Resolution Authority shall implement all decisions concerning such resolution addressed to it by the SRB. The SRB may only instruct the Luxembourg Resolution Authority in accordance with the procedure set out in Article 18 of the SRM Regulation if the following conditions are met: (a) the Issuer is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of the Issuer within a reasonable timeframe and (c) a resolution action is necessary in the public interest. For those purposes, subject to the SRM Regulation, the Luxembourg Resolution Authority shall exercise its powers in accordance with the Luxembourg Resolution Law which implemented the BRRD. The Luxembourg Resolution Authority has, inter alia, the power to impose, in certain circumstances, a suspension of activities. Any suspension of activities can, to the extent determined by the Luxembourg Resolution Authority, result in the partial or complete suspension of the performance of agreements entered into by the Issuer.

On 7 June 2019, as part of the amendments to, among others, the BRRD and the SRM Regulation, Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (the "**BRRD II**") and Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (the "**SRM II Regulation**" and,

together with the BRRD II, the "**Banking Reforms**") have been published in the Official Journal of the EU. The Banking Reforms provide, among others, for the introduction of a new pre-resolution moratorium tool as a temporary measure and new suspension powers which the SRB or the Luxembourg Resolution Authority, as applicable, will be able use within the resolution period. Any suspension of activities of the Issuer, as stated above, may result in the partial or complete suspension of the performance of agreements (including any payment or delivery obligation) entered into by the Issuer.

The exercise of any such power or any suggestion of such exercise could materially adversely affect the rights of the holders of the Products, the price or value of their investment in any such Products and/or the ability of the Issuer to meet its obligations under any such Products.

4.36 There are no events of default (other than in limited events such as a liquidation of the Issuer) allowing acceleration of the Products

General Conditions applicable to the Products do not provide for events of default (other than in limited events such as a liquidation of the Issuer as provided in General Condition 12) allowing acceleration of the Products if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Products, including the payment of any interest, Investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to holders for recovery of amounts owing in respect of any payment of principal or interest on the Products will be the institution of proceedings for the liquidation of the Issuer in Luxembourg.

4.37 Substitution and variation relating to Products without holder consent

Subject to the provisions of General Condition 14, if an MREL Eligibility Event, an Alignment Event and/or a Tax Event (each term as defined in the General Conditions applicable to the Products) occurs, the Issuer may, at its option, and without further consent or approval of the holders, elect either (i) to substitute all (but not some only) of the Products, as applicable, or (ii) to modify the terms of all (but not some only) of such Products, as applicable, in each case so that they are substituted for, or varied to, become, or remain, Qualifying Products (as defined in the General Conditions applicable to the Products). While Qualifying Products generally must contain terms that are materially no less favourable to holders than the original terms of the Products, as applicable, there can be no assurance that the terms of any Qualifying Products will be viewed by the market as equally favourable, or that the Qualifying Products will trade at prices that are equal to the prices at which the Products, as applicable would have traded on the basis of their original terms. Further, prior to the making of any such substitution or variation, the Issuer, shall not be obliged to have regard to the tax position of individual holders or to the tax consequences of any such substitution or variation for individual holders. No holder shall be entitled to claim, whether from the Issuer, or any other person, any indemnification or payment in respect of any tax consequence of any such substitution or variation upon individual holders.

4.38 Redemption due to Disqualification

Upon the occurrence of an MREL Disqualification Event, the Issuer may elect to redeem all, but not some only, of the Products at their principal amount (or at such other amount as may be specified in the applicable Issue Terms), together with any accrued and unpaid interest (if any) thereon to (but excluding) the date fixed for redemption in accordance with the terms specified in General Condition 32.13 (Redemption due to MREL Disqualification Event).

5. Risk Factors relating to the Issuer and/or BIL Group

The Issuer has identified in this Programme a number of factors which could materially adversely affect its business and ability to make payments due under the Products. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Products. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control.

5.1 Non-reliance on Financial Information of the Issuer

As a financial services provider, the business activities of the Issuer are affected by the prevailing market situation. Various risk factors can impair the Issuer's ability to implement business strategies and may have a direct negative impact on earnings. Accordingly, the Issuer's revenues and earnings are subject to fluctuations. The revenues and earnings figures from a specific period thus, are not evidence of sustainable results. They can change from one year to the next and affect the Issuer's ability to achieve their strategic objectives.

5.2 General Insolvency Risk

The financial situation of the Issuer and/or BIL Group (as defined in the section III. 1.6 "Organisational Chart of BIL Group" herein) could deteriorate and may prevent the Issuer from fulfiling its payment and delivery obligations under the Products.

The default or insolvency of the Issuer may lead to a partial or total loss under the Products. Investors in Products are therefore exposed to the credit risk of the Issuer.

5.3 Risks relating to the Issuer’s Activities

a) Client and Counterparty Credit Risk

As a credit institution, the Issuer is exposed to the creditworthiness of its customers and counterparties. The Issuer may suffer losses related to the inability of its customers or other counterparties to meet their financial obligations. Nevertheless, counterparties classified as "Investment Grade" represent a large majority of the Issuer’s total exposure.

One of the components of the solvency ratio is the risk-weighted assets ("RWA") that are used to determine the minimum amount of capital that must be held by banks and other institutions to reduce the risk of insolvency. During 2022, the Bank continued to strengthen its credit risk identification and measurement capabilities by implementing a number of material changes as per its Credit Risk & ECL Roadmap. These changes relate to Governance and Reporting (for example enriching the Credit Risk Dashboard with new or improved metrics), International Financial Reporting Standard 9 – Financial Instruments (“IFRS 9”) (in particular Staging and Management Overlays) and Sectorial monitoring. Moreover on Credit Risk Pillar I model framework in 2022, BIL continued to invest time and resources in ensuring that it continues to comply with regulatory standards. During 2022, there were many challenges addressed to comply with the regulations, most notably the EBA IRB Repair Programme of which: (i) The PD, LGD and CCF Retail/Wealth models developed in 2020 have been validated and submitted for ECB approval, as well as a new LGD SME/Mid Corp model and, (ii) In order to further simplify the model landscape and address

regulatory issues, regulatory capital requirements for the Financial Institution exposures have reverted to the Standardised Approach (ECB approval effective as of January 2023).

To also note, that beyond regulatory matters, the Risk team has continued to develop a RAROC approach and simulation tools in order to enhance the accurate view on the Bank's return on capital.

The standardised method is also used for the calculation of the weighted operational risks of the Issuer. As at 31 December 2023, the Issuer's total RWAs amounted to EUR 11.8 billion, compared with EUR 10.4 billion at end of 2022.

Risk Weighted Assets growth of EUR 1 billion between 2022 and 2023 is mainly driven by credit risk. Credit risk growth is related to the credit risk models and commercial loans' portfolio. It should also be mentioned that there is a robust follow-up regarding credit quality of the exposures, whether they are classified as non-performing or if with the forborne status, as follows:

- *Non-performing exposures*

  According to the EBA definition, Non-Performing Exposures ("NPE") correspond to files classified in default, or in pre-litigation (past due period > 90 days) or all files from counterparties whose pre-litigated exposure represent at least 20% of their total exposure. Exposures in respect of which a default is considered to have occurred and exposures that have been identified as impaired are always considered as NPE. As of 31 December 2023, BIL Group's NPE amounted to EUR 784 million (compared to 596 million in the end of 2022), leading to a ratio NPE/Total exposures of 4.3%. This deterioration in the quality of our assets is mainly attributable (i) to the RRE portfolios, in particular the variable rate and/or bridging loan borrowers, and to a greater extent (ii) to the Specialised Lending Real Estate portfolio and its two components: IPRE and ADC (property development).

- *Forborne exposures*

  According to the EBA definition: "Forborne exposures are debt contracts in respect of which forbearance measures have been extended. Forbearance measures consist of concessions towards a debtor facing or about to face difficulties in meeting their financial commitments" (the "Forborne Exposures"). Those measures include the granting of extensions, postponements, renewals or changes in credit terms and conditions, including the repayment plan. As of 31 December 2023, BIL Group's Forborne Exposures amounted to EUR 526 million leading to a ratio Forborne Exposures/Total Exposures of approximately 2.9%.

The Bank is following cautiously all of these exposures and more globally the economic situation, notably related to the interest rate and inflation levels. Nevertheless, the Issuer cannot assume that it will not have to make significant additional provisions for possible bad and doubtful debts in future periods.

b) Money laundering, terrorist financing and other illegal or improper activities

The Issuer is exposed to risks of fraud and other illegal activities, which could have a material adverse effect on the Issuer's business and financial condition.

A major focus of governmental policy towards financial institutions in recent years has been fighting money laundering and terrorist financing. The risk that financial institutions will be subjected to or

used for bribery or money laundering is higher in less developed markets. With one of the core pillars of the Issuer's strategy being private banking and wealth management operations, the Issuer is subject to greater compliance and regulatory risks and costs.

Regulations applicable to the Issuer impose obligations to maintain effective policies, procedures and controls to detect, prevent and report money laundering and terrorist financing, and to verify the identity of its clients. Failure to maintain and implement adequate programmes to combat money laundering and terrorist financing could have serious consequences, such as regulatory, litigation and reputational risks.

The Issuer closely monitors and reviews its anti-money laundering and terrorist financing framework on an ongoing basis, as part of its risk mitigation strategy.

c) Information and Cyber Security Risk

Information security, data confidentiality, data protection and integrity as well as continuous access to systems and data are of critical importance to the Issuer's businesses. Information and Communication Technology ("**ICT**") and security risk includes risk of loss due to:

- breach of confidentiality, failure of integrity of systems and data;
- inappropriateness or unavailability of systems and data;
- inability to change information technology within a reasonable time and with reasonable costs when the environment or business requirements change;
- security risks resulting from inadequate or failed internal processes;
- external events including cyber-attacks; and
- inadequate physical security to protect BIL's information and information systems.

Events can be categorised in multiple ways and may be the result of deliberately malicious acts, such as a hacker carrying out an attack with the aim of compromising sensitive information, but they may also be unintentional, such as user error that makes a system temporarily unavailable. Risk events may come from sources outside the organisation, such as cybercriminals or supply chain partners, or sources inside the organisation such as employees or contractors.

If any of the Issuer's systems do not operate properly or are compromised as a result of a threat materialising, the Issuer could be subject to litigation or suffer financial loss not covered by insurance, a disruption of the Issuer's businesses, liability to the Issuer's clients, regulatory intervention or reputational damage. Any such event could also require the Issuer to expend significant additional resources to modify protective measures or to investigate and remediate vulnerabilities or other exposures. Accordingly, any systems malfunctions and interruptions, including as a result of unauthorised access or other cyber-attacks, or other issues with regard to the Issuer's IT systems and networks could adversely affect the Issuer's business, results of operations and financial condition.

The Issuer has set up a dedicated governance on ICT and Security Risk Management to frame the management of ICT risks, and define:

- the objective and scope of ICT & Security risk management;

- the high-level operating model as well as roles and responsibilities across multiple lines of defense;
- the requirements for an ICT & Security risk management processes for identifying, evaluating and treating these risks; and
- the requirements for the ICT & Security risk reporting.

It is also important to mention the Business Continuity Management and Crisis Management Risk framework that define the objectives, methodology and governance to ensure the continuity of the critical activities.

d) Operational Risk

Operational risk is the risk losses occurring due to inadequate or failed internal processes, people, and systems or due to external factors. Operational risk includes the risk of losses due to failures in the Issuer'soperational processes or its and/or third-party provider's IT system or issues related to legal and compliance. Losses can take the form of direct financial losses, regulatory sanctions or foregone revenues, e.g. due to the failure of a service or system. Such events may also lead to reputational harm that could have longer-term financial consequences. The Issuer and/or BIL Group seek to minimise these risks through an effective internal control environment.

In particular, the Issuer is also exposed to risks from employee fraud, misconduct, negligence or non-compliance with laws and policies. Such fraud, misconduct and improper practice could involve, for example, fraudulent transactions, the intentional or inadvertent release of confidential client information or failure to follow internal policies and procedures. Such actions by employees may require the Issuer to reimburse clients, pay fines or bear other regulatory sanctions, face the risk of legal action and may damage the Issuer's reputation. It is not always possible to deter employee misconduct and the precautions the Issuer takes to prevent and detect this activity may not always be effective. Any losses and damages incurred due to operational matters may could adversely affect the Issuer's business, results of operations and financial condition.

e) Model risk

The Issuer defines model risk as the risk of financial loss due to inappropriate model assumptions or inadequate model usage. The use of inadequate models could result in incorrect valuations, which in turn, could lead to incorrect risk measurement, which could translate into a financial loss.

The Issuer is exposed to the risk that its risk management and mitigation measures do not prove successful. If the measures used to assess, manage and mitigate risks prove insufficient, that may lead to adverse effects on the Issuer's operations and financial condition.

5.4 Risks relating to the Issuer's structure and funding requirements

a) Concentration Risk

The concentration risk is the exposure(s) that may arise within or across different risk categories throughout the Issuer with the potential to produce: (i) losses large enough to threaten the Issuer's health or ability to maintain its core operations or (ii) a material change in the Issuer's risk profile. Concentration risk can have an impact on Issuer's capital, liquidity and earnings.

For example, an Issuer highly dependent for its profits on a single business sector and/or a single geographic area may be affected to a greater extent by sectoral or regional business cycles. Different sources of income may not be independent of each other. These interdependencies should be taken into account when assessing concentration risk. The business concentration may increase vulnerability with regard to specific cycles, business and geographic specialisation may still enhance the performance of the Issuer, since focusing on specific sectors, products or regions may generate business concentration risk.

Some concentration risks have been identified in connection with the Issuer as following:

- *Geographical concentration risk:*

  Such risk describes the level of risk in the Issuer's portfolio arising from concentration to a single sector or country. This risk arises from the observation that more concentrated portfolios are less diverse and therefore the returns on the underlying assets are more correlated. As far as the Issuer is concerned, the concentration risk is considered as one of main risks with the highest potential impact on the Issuer.

- *Business/Key clients concentration risk*:

  In 2023 and in line with BIL Group's business model and strategy, the "Individuals", "SME" and "Self-Employed" segment remained the Issuer's largest portfolio, representing around 38% of the overall exposure. The "Central Governments" exposure weighting is approximately 14%, while the weight of "Corporate" is around 18%.

b) Liquidity Risk

Liquidity risk measures the Issuer's ability to meet its current and future liquidity requirements, both expected and unexpected, whether or not the situation deteriorates.

Liquidity and liquidity management are of critical importance to the Issuer's and/or BIL Group's industry. Liquidity could be affected by the inability to access the long-term or short-term debt, repurchase or securities lending markets or to enter into credit facilities, whether due to factors specific to the Issuer and/or BIL Group or to general market conditions. In addition, the amount and timing of contingent events, such as unfunded commitments and guarantees, could adversely affect cash requirements and liquidity.

The objective of liquidity management is to ensure that, at all times, the Issuer holds sufficient funds to meet its contracted and contingent commitments to customers and counterparties, at an economic price. All the main issues regarding liquidity risk are directly managed by the Issuer's "Asset and Liability Management" function, which manages the Issuer's resources and their use, in particular the adequacy of expected new lending production with the available resources and the Issuer's liquidity needs. In this context, the BIL Group addresses its structural liquidity risk through governance and controls put in place (realised by the Issuer's risk management department), as well as the follow up made of its main liquidity ratios.

The liquidity management process is based upon covering funding requirements with available liquidity reserves. Funding requirements are assessed carefully, dynamically and comprehensively by taking the existing and planned on and off-balance sheet asset and liability transactions into consideration.

The Issuer notably manages its liquidity needs through the regulatory liquidity ratios with a short-term view ("**LCR**", Liquidity Coverage Ratio) and with a long-term view ("**NSFR**", Net Stable Funding Requirement).

- LCR - is the main regulatory short-term liquidity reference indicator. It requires the Issuer to hold a sufficient level of high-quality liquid assets ("**HQLA**") to cover its total net cash outflows over 30 days. As of December 2023, BIL Group's LCR amounted to 174%.

- NSFR - is a regulatory minimum requirement reflecting the longer-term liquidity position of an institution. It requires the available amount of stable funding ("**ASF**", Liability side) to exceed the required amount of stable funding ("**RSF**", Asset side) over a one-year period of extended stress. As of December 2023, BIL Group's NSFR amounted to 124%.

c) Significance of Credit Ratings

Access to the unsecured funding markets can be influenced by the Issuer's credit ratings, if existing (as indicated in the Issue Terms). A reduction in the Issuer's credit ratings could adversely affect the Issuer's access to liquidity alternatives and their respective competitive position and could increase the cost of funding or trigger additional collateral requirements.

Anticipated or actual upgrades or downgrades in the Issuer's credit ratings, if any, may have an impact on its perceived creditworthiness and, therefore, the market value of a Product (see section 4.7 (Factors affecting Market Value) above).

5.5 Risks relating to the regulatory environment and the market

a) Legal, Regulatory and Reputational Risks

The Issuer being classified as "other systemically important institution" authorised in Luxembourg by the European Central Bank (the "**ECB**"), the Issuer's business activities are subject to substantial regulation and regulatory oversight in the jurisdictions in which it operates. Current, together with future regulatory developments, including changes to accounting standards and the amount of regulatory capital required to support the risk, could have an adverse effect impacting on how the Issuer conducts its business and on the results of its operations. The Issuer's business and earnings are also affected by fiscal and other policies that are adopted by the various regulatory authorities of the European Union, foreign governments and international agencies.

The Issuer operates in an industry that is highly regulated and may be adversely affected by legal, compliance and regulatory risks. Such risks are risks arising from violations of, or non-compliance with, laws, rules, regulations, prescribed practices or internal policies and procedures, or the non-enforceability of contracts. Such risks expose the Issuer (in addition to other possible regulatory measueres) to potential fines, financial penalties, the payment of damages or the voiding of contracts.

Legislation and rules adopted around the world have imposed substantial new and more stringent regulations, internal practices, capital requirements, procedures and controls and disclosure requirements. This has occurred in such areas as financial reporting, corporate governance, auditor independence, equity compensation plans, restrictions on the interaction between equity research analysts and investment banking employees and money laundering. The trend and scope of increased compliance requirements may require the BIL Group (as such term is defined in section 1.6 hereafter, including the Issuer, to invest in additional resources to ensure compliance).

Furthermore, violation of applicable regulations could result in legal and/or administrative proceedings, which may impose censures, fines, cease-and-desist orders or suspension of a firm, its officers or employees. Supervision of the financial services industry has increased over the past several years, which has led to increased regulatory investigations and litigation against financial services firms.

The realisation of compliance and legal risks can also lead to reputational harm, limit business opportunities, reduce growth potential and impact the Issuer's ability to enforce contracts. Furthermore, the BIL Group is exposed to the risk that changes in applicable laws or interpretations and enforcement thereof, including regulatory and tax laws, may have a material negative impact on their results. Regulatory or similar changes in any jurisdiction in which the BIL Group operates may adversely affect their business, results of operations and financial condition.

The Issuer defines reputational risk as the risk of a potential loss of reputation due to a financial loss or any other real or perceived event with a negative impact on reputation. In particular, this includes the risk arising from any cases of employee misconduct, failure or perceived failure to comply with applicable laws, rules and regulations or the departure from internal or external codes of conduct or generally accepted practices or standards. The BIL Group's reputation is critical in maintaining its relationships with clients, investors, regulators and the general public, and is a key focus in its risk management efforts.

Accordingly, the realisation of reputational risk could have a material adverse effect on the BIL Group's financial position and results of operations.

With the growing number of legal and prudential requirements, the Issuer has set up a group wide legal and regulatory watch within its "Regulatory Affairs" department with the support of different regulatory experts, including "Risk and Finance" representatives.

b) Competitive and Business Environment

All aspects of the Issuer's and BIL Group's (as defined in the section 1.6 (Organisational Chart of BIL Group)) business including the business of the Issuer are highly competitive. BIL Group's (including the Issuer's) competitive ability depends on many factors, including reputation, the quality of services and advice, intellectual capital, product innovation, execution ability, pricing, sales efforts, and the combined talents of employees.

In addition, increased regulatory requirements and developments in IT require significant investments of time and resources. If the Issuer's and BIL Group's competitors are more efficient at incorporating such changes and developments, the Issuer's and BIL Group's competitive position may deteriorate.

c) Market Risk

Market risks are all the risks linked to the fluctuations of market prices, including, principally, exposure to loss arising from adverse movements in interest rates, equity values, credit spreads, foreign exchange rates and commodity prices stemming from the Issuer's capital market activities. Due to the nature of its activity, the Issuer is prevented from assuming significant exposure to market risk. It does not act as a market maker and therefore has very small exposure mainly linked to its

short-term cash management. Market risks generated by the commercial businesses are generally hedged and residual risks are handled by the asset and liability management function.

d) Risks of International Conflicts

International concerns about the effects of conflicts, including the ongoing conflict between Russia and Ukraine and concomitant sanctions activity, can create significant uncertainty in global markets. The extent of these effects may not be known for some time. The conflict between Russia and Ukraine and concomitant sanctions activity by various countries in particular, could have significant negative impacts on the global economy and lead to widespread market downturns. Whilst the Issuer does not have any exposure in the Russian or Ukrainian markets, the conflict, sanctions and related events could cause disruptions in the capital markets that could adversely affect the value or liquidity of financial instruments such as the Notes or Warrants. The length of such conflicts or its consequences cannot be predicted.

Likewise, any further conflicts and geopolitical events may have significant negative impacts on the global economy and lead to widespread market downturns and could cause disruptions in the capital markets that could adversely affect the value or liquidity of financial instruments such as the Notes or Warrants.

The length and scale of such conflicts, as well as their consequences cannot be predicted.

5.6 Potential Conflicts of Interest

The Issuer and affiliated companies as well as the Platform Provider, Lead Manager, Paying Agent, Calculation Agent and/or Index Sponsor may participate in transactions related to the Products in some way, for their own account or for account of a client. Such transactions may not serve to benefit the Investors and may have a positive or negative effect on the value of the Underlying and consequently on the market value of the Products. Furthermore, companies affiliated with the Issuer and/or the Platform Provider may become counterparties in hedging transactions relating to obligations of the Issuer stemming from the Products. As a result, conflicts of interest can arise between companies affiliated with the Issuer and/or the Platform Provider and Investors, in relation to obligations regarding the calculation of the price of the Products and other associated determinations. In addition, the Issuer and its affiliates act and may act in other capacities with regard to the Products, such as Calculation Agent, Paying Agent and/or Index Sponsor.

Furthermore, the Issuer or affiliated companies of the Issuer may issue other derivative instruments or additional Products relating to the respective Underlying; introduction of such competing products may affect the market value of the Products. The Issuer and its respective affiliated companies may receive non-public information relating to the Underlying and neither the Issuer nor any of its affiliates undertake to make this information available to Investors. In addition, one or more of the Issuer's affiliated companies may publish research reports on the Underlying (see 4.30 above). Moreover, the Issuer and/or the Lead Manager or any third party appointed by the Issuer may engage in a market making activity relating to the Products and quote bid and offer prices for each of Products which are based on customary pricing models. These quoted prices may deviate significantly from the theoretical value of the Products. Such activities could present conflicts of interest and may affect the market value of the Products.

5.7 Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties

a. Discounts/Payments by the Issuer, the Lead Manager and/or any party appointed

The Issuer, the Lead Manager and/or any party appointed may offer the Products to or via banks, securities firms and other financial intermediaries or institutions (each an "**FI**"), which may also include the Issuer and/or the Lead Manager (including their branches, internal business lines, subsidiaries and affiliated companies), (i) at a discount or (ii) at the Issue Price but transfer to FIs an amount a) of up to 2% p.a.[1] ("**Relevant Fees**"), b) of up to 3.5% p.a. ("**Significant Fees**"), c) of more than 3.5% p.a. ("**Substantial Fees**"), or d) as explicitly specified in the Issue Terms. With respect to a Product, for which the Issue Price is set out in percent, the amount may be calculated based on the Denomination of that Product. Alternatively, the amount will be calculated based on the Issue Price.

In addition, or alternatively, for certain services rendered and in order to increase quality and services relating to Products issued by the Issuer, the Issuer, the Lead Manager and/or any party appointed may pay recurring fees to distribution partners. To the extent such fees are charged to Investors, the individual rates will be specified in the Issue Terms.

In accordance with and within the limits of applicable legal requirements, if and to the extent such a discount, payment, or recurring fees, on the basis of statutory law, would have to be forwarded by the FI to the Investor, each Investor hereby takes note and unconditionally waives any right in respect of such discount, payment or recurring fees and accepts that the FI may retain and keep such discount, payment or recurring fees. Further information is available from the Issuer, the Lead Manager and/or the FI.

Investors shall note that such discounts, payments and recurring fees may cause potential conflicts of interests at the FI. The FI are obliged, however, to implement organisational measures designed to prevent that such potential conflicts of interest may adversely affect the interests of their clients.

Further information is available from the Issuer, the Lead Manager and/or the respective FI.

b. Retrocessions received by the Issuer, the Lead Manager and/or any party appointed

The Issuer, the Lead Manager and/or any party appointed may receive from third parties (including for the Lead Manager and/or any party appointed from the Issuer) remunerations, discounts, soft-commissions, and/or other indirect monetary advantages which may qualify as retrocessions or inducements ("**Retrocessions**").

The Issuer, the Lead Manager and/or any party appointed may receive such Retrocessions in particular from the issuers, managers or lead managers of financial instruments or from the administrator of indices that serve as underlying of the Products. In accordance with and within the limits of applicable legal requirements, if and to the extent such Retrocessions, on the basis of statutory law or any other rules, would have to be credited to the Product or forwarded to Investors, the Investors hereby take note and unconditionally accept that the Issuer, the Lead Manager and/or any party appointed may retain and keep such Retrocessions without being credited to the Product or forwarded to the Investor. The Investors waive any compensation right to such Retrocessions.

[1] For Open End Products the amount p.a. will be calculated based on a 10 year maturity.

Investors should be aware that such Retrocessions may cause conflicts of interest at the Issuer and/or the Lead Manager and/or any party appointed and that there are organisational measures in place, designed to reduce the risk that such conflicts of interest adversely affect the interests of Investors.

5.8 Risks relating to Platform Provider

The Issuer has outsourced certain activities relating to the issuance, maintenance and redemption of the Products to Leonteq Securities AG or any other entity appointed as service provider to the Issuer pursuant to an agreement entered into with Leonteq Securities AG (such entity the "**Platform Provider**") and relies on such Platform Provider for the provision of hedging services, accounting and risk management as well as documentation, listing, life cycle management as well as other processes relating to the issuance and redemption of Products. Therefore, the offering of Products under this Programme depends on the due provision of these services by the Platform Provider.

The Platform Provider may provide the same or similar services also to other parties and conflicts of interests of the Platform Provider for providing its services in relation to the Products and to similar instruments of other issuers may arise.

III. BANQUE INTERNATIONALE À LUXEMBOURG S.A.

1. General Information on BIL

1.1 Incorporation and Duration

BIL was incorporated and registered in Luxembourg, Grand Duchy of Luxembourg, on 8 March 1856 as a public limited liability company according to Luxembourg law for an unlimited duration. As from that day, BIL is registered in the Luxembourg Register of Commerce and Companies (*Registre de commerce et des sociétés, Luxembourg*) under number B.6307.

1.2 Registered Office

The registered office of BIL is at 69, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg, and the general telephone number is +352 45901.

1.3 Statutory Auditors

The independent statutory auditors of BIL are PricewaterhouseCoopers, Société coopérative, with their registered address at 2 rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg ("**PwC**"). PwC was appointed as independent statutory auditors on 13 December 2019. PwC has audited the consolidated and the parent company financial statements of BIL as of and for the financial years ended 31 December 2021 and 31 December 2022 and issued unqualified independent statutory auditors' reports thereon.

PwC is member of the Institute of Auditors (*l'Institut des Réviseurs d'Entreprises*) and is supervised by the CSSF.

1.4 Purpose

BIL's articles of incorporation (*statuts*) were approved by the Royal Grand-Ducal Decrees of 8 March and 14 April 1856 and have been amended from time to time. Amendments to the articles of incorporation are published in the Mémorial C, Recueil des Sociétés et Associations and, as from 1 June 2016, in the central electronic platform of official publication for companies and associations (Recueil électronique des sociétés et associations) only. The most recent amendment was made on 16 December 2019. The objectives of BIL are to undertake all banking and financial operations of whatsoever kind, and, inter alia, to accept deposits from the public or any other persons or institutions and to grant credit for its own account. It may also undertake all activities reserved for investment firms and to other professionals in the financial sector and all financial, administrative, management and advisory operations directly or indirectly related to its activities. It may establish subsidiaries, branches and agencies in or outside Luxembourg and participate in all financial, commercial and industrial operations.

1.5 Regulatory Status

BIL is authorised as a securities dealer and is subject to prudential supervision by CSSF, which regulates and supervises the professionals and products of the Luxembourg financial sector.

1.6 Organisational Chart of BIL Group

BIL is both the parent company of the group ("**BIL Group**") and the Issuer in the context of this Issuance and Offering Programme.

Legend Holdings Corp. holds 89.9804 per cent of the issued share capital in BIL and the Grand Duchy of Luxembourg holds a further 9.9978 per cent.

As of 1 October 2024, BIL held a direct interest of at least 20 per cent. in the capital of the following companies:

Name of Company	Registered Office	Proportion of capital held directly
Banque Internationale à Luxembourg (Suisse) S.A.	Zurich, Switzerland	100.00%
Belair House S.A.	Luxembourg	100.00%
BIL Manage Invest S.A.	Luxembourg	100.00%
BIL Private Invest Management S.à r.l.	Luxembourg	100.00%
BIL Reinsurance S.A.	Luxembourg	100.00%
Biltrust Limited	St Peter Port, Guernsey	100.00%
BIL Wealth Management Limited	Hong Kong SAR, China	100.00%
Europay Luxembourg, *société coopérative*	Luxembourg	46.67%
LuxConstellation S.A.	Luxembourg	24.67%
Private II Wealth Management S.à r.l.	Luxembourg	100.00%
Société Luxembourgeoise de Leasing - BIL Lease S.A.	Luxembourg	100.00%

2. Board of Directors and Executive Committee

The Board of Directors (the "**BOD**") of BIL has the overall responsibility for BIL. It defines, monitors and bears the responsibility for the implementation of robust central administration, governance and internal control arrangements ensuring a sound and prudent management of BIL. Among its missions, the BOD is responsible for setting and overseeing the overall business and risk strategy including the risk appetite statement and the risk management framework of BIL Group.

The BOD is assisted by four specialised committees: the Board Strategy Committee, the Board Risk Committee, the Board Audit and Compliance Committee and the Board Remuneration and Nominations Committee.

The BOD delegated the daily management of BIL to the Management Board (the "**MB**") and the Chief Executive Officer (the "**CEO**").

The MB consists of the MB members authorised by the Supervisor. The overall objective of the MB is to lead, direct and manage BIL, to implement the strategy and achieve the business objectives in line with the risk appetite set by the BOD. The MB is collegially responsible for the effective day-to-

day management of BIL. It meets in principle on a weekly basis as an integral part of the Executive Committee and on an ad-hoc basis, as needed.

The Executive Committee (the "**ExCo**") consists of the MB, as well as designated heads of support functions and business lines. The ExCo meetings and the MB are chaired by the CEO. The Chief Compliance Officer, the Chief Internal Auditor and the Secretary General and General Counsel are permanent invitees to the ExCo. The Chief Compliance Officer and the Chief Internal Auditor have direct reporting lines to the BOD Chair and to the Chair of the Board Audit and Compliance Committee (amongst other Directors).

Board of Directors

Name	**Position held**
Marcel Leyers	Chair
Jing Li	Vice-Chair, Managing Director of Legend Investment (Europe)
Peng Li	Director, Chief Executive Officer of Legend Holdings Corporation
Maurice Lam	Independent Director
Charles Q. Li	Independent Director
Vincent Thurmes	Director, Luxembourg State Representative
Chris Van Aeken	Independent Director
Pierrot Rasqué	Director, Luxembourg State Representative
David Pilgrim	Independent Director
Benoît Migeaux	Director, Staff Representative
Claude Steffen	Director, Staff Representative
Marc Terzer	Director, Staff Representative
Ashley Glover	Director, Staff Representative

Executive Committee

Name	Title	Position held
Jeffrey Dentzer	Chairman*	Chief Executive Officer (CEO)
Hédi Ben Mahmoud	Member*	Chief Risk Officer
Hans-Peter Borgh	Member	Group Head International – CEO BIL Suisse
Olivier Gorin	Member	Chief Operating Officer
Karin Scholtes	Member*	Chief of the Luxembourg Market and Corporate and Institutional Banking (CIB)
Jérôme Nèble	Member*	Head of Strategy, SGO & Balance Sheet Management
Emilie Hoël	Member	Head of CEO Office
Bernard Mommens	Member*	Advisor
Nico Picard	Member*	Chief Financial Officer
Claude Eyschen	Member	Head of Wealth Management
Jian (Helen) Liang	Member	Head of China Market
Elsa Dorschel	Permanent Invitee	Chief Internal Auditor
Frédéric Sudret	Permanent Invitee	Secretary General & General Counsel
Marine Bourlond	Permanent Invitee	Chief Compliance Officer

(*) Member of the Management Board

The business address of the members of the BOD and of the ExCo of BIL is at 69, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg.

3. Business Activities

3.1 Business

Founded in 1856, BIL is the oldest multi-business bank in the Grand Duchy of Luxembourg. It has always played an active role in the development of Luxembourg's economy and issued its first banknotes in the very year of its creation. BIL offers retail, private, corporate and institutional banking as well as treasury and financial market services.

BIL employs approximately 2,000 people in total in its offices in Luxembourg, Switzerland (since 1985) and China (since 2019). Its specialised entities BIL Lease, Belair House and BIL Manage Invest offer a full range of services for investors and professionals.

Through its national and international network, BIL offers bespoke and innovative financial services to meet the specific needs of a broad client base. These services help client wealth and businesses to flourish and support financial professionals in developing their activities.

3.2 History, Recent Developments and Business Outlook

Banque Internationale à Luxembourg, the first public limited liability bank in Luxembourg, was founded on 8 March 1856, to provide financing for the railways and the iron and steel industry of a country that was at that time predominantly agricultural. The same year, it issued its first banknotes and was one of the few private establishments to retain this privilege until the introduction of the euro. In October 1989 BIL moved into its newly built headquarters on route d'Esch in Luxembourg-City. To commemorate the 150th anniversary of the independence of the Grand Duchy of Luxembourg, the building was named "L'Indépendance".

In July 1985 BIL commenced its private banking activities in Switzerland.

2017 - 2022

On 1 September 2017, Legend Holdings Corporation, a Hong Kong-listed diversified investment group, signed an agreement with Precision Capital, a Luxembourg-based financial holding company, to acquire the latter's 89.936% stake in BIL. The acquisition of a majority stake in BIL represents a long-term strategic investment for Legend Holdings with a commitment to strengthening the BIL brand domestically and internationally as well as to further enhancing its client offering and pursuing its strategy. Following the approval of the transaction among others by European and Luxembourgish regulators, the transaction was closed on 2 July 2018. The Grand Duchy of Luxembourg retained its 9.993% ownership of BIL.

Throughout 2019, Legend Holdings and BIL intensified their cooperation with the launch of the private equity fund "BIL PE I" in collaboration with BIL and Legend Capital. In September 2019, BIL became the first Luxembourgish Bank to open a Representative Office in Beijing, China.

On 16 December 2019, BIL announced a capital increase of EUR 58 million to support the growth of its local commercial activities and its international business. The new shares were issued to existing shareholders of BIL in proportion to the capital represented by their shares.

Throughout 2020, BIL continued to invest and strengthen its investment capabilities, enhancing its reputation as an entrepreneur-friendly bank as well as an asset manager and trusted advisor. As the country faced an unprecedented health crisis, BIL committed to support the national economy and its businesses and worked together with the Luxembourg state and other Luxembourgish banks. In March 2020, BIL introduced its new footprint concept and optimised the multi-channel nature of its distribution strategy to address shifting client behaviours and the increasing use of digital services.

At an international level BIL expanded its wealth management services distribution footprint. On 5 February 2020, BIL acquired 100% of Sino Suisse Financial Group (Hong Kong) Limited. Founded in 2017, Sino Suisse Financial Group (Hong Kong) Limited is an external wealth management firm based in Hong Kong, which provides financial advice to high-net-worth individuals, entrepreneurs and their families. Sino Suisse Financial Group (Hong Kong) Limited was renamed BIL Wealth Management Ltd. The new entity provides financial advice and manages clients' assets with an open architecture concept through BIL Luxembourg, BIL Suisse and other partner banks.

Following the launch over the past few years of BIL's own UCITS fund suite under the brand name BIL Invest, in January 2020, BIL Manage Invest took over the fund and portfolio management for four BIL Invest Patrimonial funds and the brokerage function. The takeover of the management company function of BIL Invest represented another important step in the continuous growth of BIL Manage

Invest. With the implementation of the Sustainable Finance Disclosure Regulation (SFDR), all BIL investment products and services processes have been upgraded with the implementation of an exclusion policy and a systematic ESG integration. Four compartments of our BIL Invest Sicav (BIL Invest Patrimonial range) are compliant and eligible with SFDR Art 8 principles.

In 2020, BIL was the first bank in Luxembourg to offer instant payments allowing clients to transfer euros in less than 10 seconds. Initially only available for transfers from and to accounts held with BIL. In September 2020, the service was extended to and from banks in the SEPA.

During on-site inspections in 2017 and 2018, the Commission de Surveillance du Secteur Financier (CSSF) identified certain weaknesses in the processes that were in place at that time in BIL to fight against money laundering and terrorist financing, concerning a limited segment of customers. As a result, the CSSF decided to impose an administrative sanction of EUR 4.6 million in March 2020, which is proportional to BIL's turnover. No money laundering or terrorism financing activities were identified during these on-site inspections. Prior to this administrative sanction, BIL had already taken appropriate measures to remediate the identified weaknesses. BIL has since defined a new and strict AML Risk Appetite Statement and related Wealth Management Compliance Guiding Principles, recruited additional compliance specialists and increased AML/CTF training and awareness. Compliance tools, i.e. the AML scoring engine, were promptly upgraded and implemented and the remediation plan is still ongoing.

Major milestones were reached in 2021.BIL adapted its governance to reflect its strategic priorities and ensure optimal execution. All commercial activities in Luxembourg were placed under one management and a transformation office was created, placing the development and delivery of its new core banking system as a top priority.

BIL further adapted its international business network to be in line with priorities and continued to focus its commercial reach on markets where it has the knowledge and expertise to deliver added value to its clients. BIL further developed its two main centres of excellence, Luxembourg and Switzerland and continued to build its activities in China (Beijing, Hong Kong and the Greater Bay Area) to serve its international clientele while closing other locations.

In 2021, BIL announced the sale of BIL Fund and Corporate Services S.A. (BFCS). The transaction, pursuant to the Sales and Purchase Agreement (SPA) signed on 23 March 2021 between BIL and the buyer, ZEDRA closed on 15 March 2022. As BIL pursued greater focus on selected countries, it also transferred its BIL Denmark branch business activity to RingkjØbing Landbobank on 1 July 2021 and centralised its Middle East market desk in Switzerland, closing its Dubai branch on 23 October 2021.

In June 2021, BIL officially joined Leonteq's structured products platform as a result of the partnership between BIL and Leonteq that was initiated in July 2020 for the issuance and distribution of structured investment products. This platform provides BIL with a broad range of services along the entire value chain and greatly advances BIL's structured product offering, capabilities, efficiency and its visibility across key international markets, therefore enhancing access to a broader base of qualified investors.

2022 was marked by the war in Ukraine, the inflationary shock and the energy crisis. In this challenging context, BIL's markets of focus are clear, and so is its target clientele. In 2022, BIL again proved its "raison d'être" by supporting the economy when some companies were experiencing difficulties due to the war in Ukraine. BIL joined the Government's loan guarantee scheme, a part of

the so-called “Solidaritéitspak”, a package of measures developed by the Luxembourg Government, business groups and labour unions to support companies and households alike amid rising inflation and high energy prices.

BIL entered a partnership with a renowned asset manager that will expand BIL’s private market offering. With this collaboration, BIL gains access to an extensive range of private market products and will have the support of experts to select the most appropriate products for its Wealth Management clients. BIL will thus be able to build a broader and more diversified investment product offering embracing diverse geographies, strategies, themes and private market asset classes.

BIL’s Wealth Management is an essential activity in BIL’s diversified business model and is key to enable growth and resilience. In addition to its domestic market, BIL’s Wealth Management activities are deployed abroad. BIL streamlined its approach by focusing on a selected number of markets abroad and by optimising its international footprint. BIL now fully concentrates its strengths on its two main centres of excellence, Luxembourg and Switzerland, while growing its expertise and business in its two Chinese locations Beijing and Hong Kong.

2023

In 2023, following a robust post-pandemic expansion in 2021 and 2022, the economy lost momentum. Europe faced multiple macroeconomic challenges, induced by on-going conflicts, in Ukraine and in the Middle East. The rate hike campaigns launched in 2022 by monetary authorities to curb inflation reached a peak during the second half of 2023. In the eurozone, the higher interest rates had the effect of reducing the financing capacity of households and businesses, thus contributing to the slowdown of economic activity. In Luxembourg, this translated into a downward trend in industry and construction. Construction has been affected by the current downturn in the real estate sector and consequently, slowed down lending activity.

In this challenging context, BIL has risen to these external challenges and continues to ensure that its clients, both corporates, institutionals and individuals, benefit from a robust bank, which supports them in bringing their projects to life and which offers them innovative financial solutions. At the end of 2023, BIL showcased sound asset quality and solid capital and liquidity indicators.

Elsewhere in 2023, BIL maintained momentum on the roll out of its transformative five-year strategic plan, laying the foundations for the BIL of tomorrow. BIL’s new Core Banking System (CBS) was successfully deployed on the 2 October 2023 and represents BIL’s most significant undertaking in 2023. After months of development and testing, BIL Luxembourg migrated its legacy CBS to its new banking platform (Temenos T24). This migration involved transferring an important volume of information to Temenos T24, tailoring Temenos to support BIL’s activities and implementing new controls to ensure the operational performance of BIL. The new CBS supports most of BILs’ activities, serving as the new backbone for data aggregation, transaction processing, accounting, reporting, regulatory compliance, internal controls and risk management among others.

In a context of everchanging market conditions and regulatory framework, this transformation of an unprecedented scale, an essential pillar of BIL’s five-year strategic plan, will provide a solid backbone for future development and bring more flexibility, reliability, and efficiency to BIL’s operations.

Also in 2023, BIL continued to expand its digital services to offer one of the the broadest selections of mobile payment solutions to its clients. To improve client servicing, BIL also included in its massive

CBS overhaul the implementation of a standard market Client Relationship Management (CRM) solution, improving efficiency in many of BIL's workflows.

In November 2023, BIL announced the joining of forces with five other financial institutions to create a shared, national network of ATMs in Luxembourg. The objective of this project is twofold: to improve service, thanks to newer, modern machines located strategically throughout Luxembourg, and to optimise costs. This shared ATM network will be operational by the end of 2025 and will guarantee proximity and access to self-service banking to individuals, retailers and businesses at no additional costs.

Throughout 2023, BIL Group also developed its fund services dedicated to asset managers, pension funds, insurance companies and family offices. BIL offers these clients access to a full range of products and services in the alternative investment fund sector, with at its core Alternative Investment Fund Management (AIFM) and depositary services with central administration services offered by selected preferred partners.

Investing into sustainable finance and ESG related products and services also remained a point of focus in 2023. BIL made significant progress, strengthened its ESG commitments and expanded its ESG investment product service offerings. More specifically, BIL built on its 2022 track record and issued multiple green bonds to investors supporting the transition to a low-carbon economy and implemented green loans, which aim to support clients in confronting the current challenges and financing transition to renewable energy sources. With respect to product development, two additional BIL Invest funds were added to the existing MiFID-ESG compliant in-house funds eligible as Article 8 products as per the SFDR product offering. BIL also obtained for the first time a LuxFLAG ESG Discretionary Mandate Label allowing BIL to offer an ESG solution in its discretionary offering for which commercialisation is foreseen in 2024.

2024 and Outlook

In 2024, BIL has placed significant emphasis on client centricity, as efforts have been dedicated to ensuring a smooth transition for clients following the change of our Core Banking System. Clients are gradually returning to a new normal, and their continued satisfaction remains a top priority.

Furthermore, Marcel Leyers retired from his role as Group CEO and member of the management body in its executive function in April 2024. Marcel Leyers, who remains a Board member was, noting ongoing supervisory formalities, nominated as the new Chair of the BoD as of 1 May 2024, in replacement of Jing Li, who became the new Vice-Chair. As of the same date, Jeffrey Dentzer, Deputy CEO and an existing member of the authorised management, was appointed as the new Group CEO in replacement of Marcel Leyers.

Under the leadership of a new Chair of the BoD and a new Chief Executive Officer, BIL has initiated the rollout of a new organisational structure, aiming to enhance its future-proof capabilities and maximise the benefits derived from the upgraded Core Banking System

BIL has also continued to develop its value proposition for Entrepreneurs and private clients with an entrepreneurial mindset by enhancing collaboration between its core business lines and reinforcing its ability to serve the needs of its clients. BIL strengthened its corporate finance services and cross-selling set-up with its Wealth Management teams, leveraging on the joint expertise of its Luxembourg and Switzerland teams. The team provides a unique service offering to entrepreneurs and family-owned corporate clients delivering tailor-made solutions across the capital structure

(structured finance, debt advisory, equity and quasi-equity, merger and acquisition). Indeed, BIL has built a track record of advisory mandates for Entrepreneurs in various industries, which generates cross-selling opportunities for BIL, thus supporting BIL's diversified business model.

In line with its strategic priorities to provide a seamless experience to its clients, BIL is continuing to move from an omnichannel approach to a deeper integration of its physical and digital services on its domestic market. With this "phygital" approach, BIL aims to meet its clients where they are, adapting to their preferences.

Following a reassessment of the Common Equity Tier 1 and Risk Weighted Assets, the Common Equity Tier 1 ratio after profit allocation has been restated to 13.45 % as of 31 December 2023 and before profit allocation to 12.74% as of 30 June 2024.

In the wider market, the macroeconomic and geopolitical environment continues to weigh on the Luxembourg economy resulting in a decreased momentum in the real estate market. In this challenging context, BIL has demonstrated its commitment to support both the national economy and its clients by participating in various support mechanisms and adapting its client offerings accordingly. However, the ECB has now begun to lower interest rates and modest rates reductions have already taken place with inflation coming under control. This is likely to ease the pressure on borrowing capacity and demand for mortgages in the country. Private consumption is projected to remain resilient, supported by additional measures introduced by the Government in order to tackle high inflation and to maintain households' purchasing power.

Moreover, BIL Group continues to closely monitor ongoing geopolitical events, including the conflict between Russia and Ukraine. In response to these events, the Group is rigorously applying the measures necessary to strictly enforce all international sanctions and restrictions as and when they are announced. From a risk management perspective BIL's exposure to Russia remains relatively small. The direct impacts of the conflict on the 2023 consolidated financial statements remain limited. Credit exposure towards Russia represents 0.3% of total exposures as at 31 December 2023 (compared to 0.3% of total exposures as at 31 December 2022). All exposures are well collateralised and all collateral is located in Western Europe.

Looking forward, BIL's business prospects are expected to be in line with the Issuer's current business activities as described above. In addition, as BIL is approaching the end of its "Energise Create Together" strategic plan, BIL is developing a new strategic roadmap for the 2025-2030 period. This roadmap will set the stage for long-term growth and business model sustainability. BIL will continue to deliver value for its clients and to adapt its commercial activities where necessary with a strong focus on diversifying income streams while maintaining cost efficiency.

This section contains forward-looking statements based on the current plans, estimates and projects of the Issuer which are uncertain.

Environmental, Social and Governance ("ESG")

The ExCo and BoD are fully aware of the strategic role BIL, as a financial actor, must play in the transition to a sustainable world. BIL is committed to the sustainable development of its activities and those of its clients by making efforts in its own operations and by encouraging its customers to reduce their emissions and invest sustainably.

BIL has a clear sustainability strategy, fully integrated in BIL's Energise Create Together 2025 Strategy and is making indisputable progress in the sustainable action that it takes, through the progressive implementation of its ESG Program.

Four pillars of commitment and responsibility underpin the SustainaBILity Strategy, which guides BIL's strategic decision-making and day-to-day management:

- Sustainable governance and strategy: BIL is committed to structure the organisation to address ESG challenges and to embed sustainable finance into the corporate culture.
- Sustainable products and services: BIL is committed to develop responsible products and services that create value for its clients whilst supporting the global ecological and social transition. BIL wants to play an active role in the integration of ESG factors to catalyse the redirection of financial flows towards sustainable activities.
- Responsible employer: as a responsible employer, BIL is committed to offer a safe and healthy work environment to enable its employees to develop their potential.
- Positive impact: as a major financial actor in the Luxembourgish landscape, BIL is committed to act for a positive impact on local economy and communities and prepare ground for future generations.

Overall, in the previous year:

- BIL has strengthened its overall ESG governance and defined initial targets which will be monitored at Executive and Board level through a dedicated ESG Dashboard. BIL's Risk management function progressively integrated the management of ESG risks, with a special focus on climate related risks, throughout the whole organization via its global risk framework.
- A broader range of ESG products and services was developed, and investment advisors were trained to address customer sustainability preferences when advising on investments. The emphasis this year was on the credit side, in line with the bank's ambition to be a "transition facilitator" for its customers. All advisors dedicated to housing have been specifically trained to support homeowners in their renovation projects. In parallel work is ongoing for the transition plan assessment of BIL's high-emitting clients. BIL measures and screens its balance sheet as well as its investment portfolios for managing exposure to various ESG risks and supporting the strategic commitments to sustainability.

ESG Strategy and Governance

- Creation of the ESG Strategic Steering Committee: With the creation in January 2023 of the ESG Strategic Steering Committee, BIL ensures that ESG-related topics are addressed at top level management bodies. Indeed, the ESG Steering Committee is composed of seven permanent members, all members of the ExCo (of which 4 are members of the Authorized Management) and the Group Head of Sustainability.
- ESG Targets & ESG Dashboard: In July 2022, BIL set its ESG Business ambition of "being a key transition facilitator". In 2023, BIL started the journey to translate this high-level ambition into tangible targets and approved in October '23 an initial set of ESG targets for BIL. Although BIL has not yet set specific, time-limited decarbonization target, intermediate

targets have been identified and addressed: improving the monitoring of our impacts and calculating our carbon footprint (particularly our financed emissions), systematically collecting and monitoring ESG data and engaging with our customers to assess their transition readiness. In parallel with the definition of its ESG targets, BIL also defined a first version of an ESG Dashboard aimed at monitoring key qualitative and quantitative indicators in relation to ESG risks and ensuring that ESG opportunities are monitored and seized. The dashboard serves as a centralized hub, providing a complete insight into the bank's ESG performance. This dashboard is presented twice a year to the Management Bodies, namely the ExCo and the BoD.

- Materiality Assessment: as part of the Global Reporting Initiative ("**GRI**") reporting standard and the upcoming Corporate Sustainability Reporting Directive ("**CSRD**") guidelines, BIL has reconducted its stakeholder engagement plan (last exercise was performed in 2021) to identify the material sustainability topics for BIL, under the requested double-materiality perspective. Overall, the new materiality matrix confirmed that BIL's ESG strategy addresses issues that are considered important by our main stakeholders, and that it is therefore appropriate to continue along this path without any major overhaul.

  The Materiality Assessment will be revisited in 2024 with a more in-depth view on the concepts of double materiality. BIL will ensure that the assessment is conducted in line with the European Sustainability Reporting Standards ("**ESRS**") guidelines as conveyed by the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council along with the upcoming Implementation Guidelines on Double Materiality by the European Financial Reporting Advisory Group (EFRAG).

- ESG Risks: In accordance with the ECB and European Banking Authority ("**EBA**") guidelines, Risk Management teams have continued integrating ESG risk drivers throughout the Risk Management framework. This embedment is summarized below:

  - BIL conducted an ESG risks materiality identification and assessment through its 2023 ESG Risk Cartography, with the intent to further analyse the transmission channels of climate-related risk drivers to financial and non-financial risks, considering a medium to long-term horizon.

  - BIL improved the data coverage of its ESG data, created qualitative and quantitative indicators in the internal reporting to monitor the impact of climate change and environmental degradation on its business activities, relevant economic sectors, and portfolios, comprehensively reflected in the above-mentioned ESG Dashboard.

  - BIL applied in 2023 for the first time ESG stress testing scenarios to identify potential weaknesses, to challenge the business strategy and to have a view on the impacts of the ESG drivers on the credit, market, liquidity and non-financial risks.

  - BIL set ESG objectives and financial targets in the context of climate risk, considering the relevance of client-specific mitigation measures following scientific transition pathways.

UNPRB and UNGC:

- In 2021, BIL became a signatory to the UN Global Compact (UNGC), which encourages companies to voluntarily apply the universal principles of sustainable development. By following the UN Global Compact guidelines and benefiting from their training resources and feedback, BIL is gradually gaining maturity in implementing its sustainability strategy. BIL submitted its first Communication on Progress (CoP) report in 2023.
- In 2021, BIL also signed the UN Principles of Responsible Banking (UNPRB) and continued its work on setting, measuring and transparently communicating clear GHG emissions reduction targets within 4 years of joining, in line with the Paris Agreement's ambitions and based on the latest climate science.

Products and services

- SFDR: One of BIL's priorities in 2023 remained compliance with regulatory requirements. After the implementation of Level 1 requirements, BIL has been working on the Level 2 requirements of the European Regulation (EU) 2019/2088, the so-called Sustainable Finance Disclosure Regulation ("**SFDR**") regarding website, pre-contractual and periodic reporting disclosures. The last milestone for this regulation was the mandatory statement on the Principal Adverse Impacts (PAI) of BIL's investment decisions, which can be found here: https://www.bil.com/Documents/documentation-legale/sustainability-factors-en.pdf.

- Considering the evolution of different ESG regulations, the current market demand and considering current operational and data issues, in 2023, BIL has established its Sustainable Investment Framework in accordance with SFDR requirements. The Sustainable Investment Framework is integrated into BIL's Sustainable Investment Policy (the "**SI Policy**"), which aims to establish a consistent and comprehensive methodology for categorizing financial instruments within two distinct categories: sustainable and non-sustainable. This SI Policy gives a foundation to meet the objectives and needs of investors with sustainability preferences, aligning with the requirements set forth by MiFID II (Markets in Financial Instruments Directive II).

- As for the collection of sustainability preferences, in line with the requirements of the MiFID II Directive, BIL has continued to collect ESG preferences from clients through its first version of its MiFID questionnaire. In parallel, BIL is developing its MiFID questionnaire to collect more granular data which shall be launched in 2024.

- Sustainable Investments: With respect to product development, two additional BIL Invest funds (BIL Invest Bonds EUR Corporate Investment Grade and BIL Invest Equities Europe) were categorized and validated by CSSF as article 8 (with PAI consideration) as per the SFDR. BIL achieved new milestone towards responsible investment practices by renewing its BIL Invest Patrimonial LuxFlag ESG Label accreditation and obtaining the new LuxFlag ESG Label also for its two additional article 8 funds: 6 out of 17 BIL invest in-house funds are now ESG products and classified as Article 8 under SFDR, representing 61% of the assets in BIL Invest. Finally, BIL obtained for the first time a LuxFLAG ESG Discretionary Mandate Label for Serenio ESG, allowing BIL to offer an ESG solution in its discretionary offering. Serenio ESG commercialization is foreseen in 2024.

- Training: To support these new developments, investment advisors were trained throughout the year to equip them with the knowledge and skills to navigate the evolving landscape of

sustainable finance. More than 250 employees from various departments were trained in ESG investing topics. The training courses were focused on: ESG awareness and client ESG preferences, BIL Sustainable Investment Solutions, ESG Client Conversation and SFDR Related Disclosures.

- ESG Data: In March 2023, BIL contracted with an additional ESG Data Provider to meet mandatory reporting requirements. These data will also feed into other investment projects and initiatives.

- Green Bond: Since its inception, the Green Bond Framework has become an essential tool to enlarge our investor base, strengthen our access to liquidity and offer our clients investments that support the transition to an environmentally sustainable future. 2023 corroborated the pertinence of this investment proposal. Following a promising EUR 90 million new issue production in 2022 (primarily in the form of private placements as detailed in our Allocation and Impact Report), the total outstanding raised by BIL via green bonds amounts to EUR 440 million as of end-2023.

- Sustainable Lending: As for the lending side, BIL has continued the work started in 2022 through several initiatives described below:

    - Identification, understanding and assessment of most material risks and impacts related to its credit portfolio, notably the real estate portfolio. BIL has set itself the objective of greening its financed real estate stock, both in terms of acquisition and renovation of existing properties. The prerequisite is having better data collection on the energy performance of the properties financed.

    - Integrating ESG aspects into its lending process, by making energy performance certificate mandatory for any new residential property taken as collateral for a loan. In addition, since 1 September 2023, the energy performance class has also been incorporated into the pricing policy for mortgages to individuals.

    - Raising customer awareness and training employees in energy transition: Housing Advisors have been trained and are now able to advise customers on renovation options.

    - Showcasing and enhancing our sustainable financing offer and creating partnerships, such as BIL's partnership with Alfred Reckinger SA, a heat pump installation specialist.

    - On the Corporate Financing side, BIL assessed its financed emissions to evaluate ESG transition risks. The following actions were taken in 2023:

        - Awareness: In April 2023, BIL organized a conference for this clientele on the theme "Together towards decarbonization".

        - Alignment measures: BIL is assessing the alignment of its credit and investment banking portfolios with the IEA's NZE 2050 scenario (Net Zero Emissions by 2050 Scenario).

        - Commitment model: Finally, during the fourth quarter of 2023, BIL initiated reflections to implement a customer engagement model, based on the ACT

(Assessing Carbon Transition) initiative. This will be a key step in defining the bank's decarbonization strategy, insofar as these customer engagement meetings will provide a more precise view of the situation, maturity, and trajectory of its most emitting customers in terms of transition to a low-carbon world.

ESG at corporate level

- BIL's bank investment portfolio: in addition to its role as a provider of investment solutions to private and institutional investors, BIL also manages its own portfolio of investment instruments. On 31 December 2023, Green, Social and Sustainable bonds accounted for 20.79% of the total portfolio, for a total amount of EUR 1.8 billion in December 2023 (+31% compared to 31 December 2022). BIL targeted 20% of the Investment Portfolio by the end of 2023.
- CSRD: BIL has gradually adapted its non-financial reporting to meet future CSRD requirements.
- Operational Carbon Footprint: BIL has been measuring emissions linked to its own operations as well as its financed emissions since 2021. Details can be found in the bank's Sustainability Report.
- Responsible Employer: BIL's focus in 2023 was in managing stress, fatigue and employee commitment in the context of implementing the new core banking system.
- Diversity: In March, BIL signed the Women in Finance Charter to contribute to the improvement of gender diversity in the Luxembourgish financial sector. With the signature of this charter, BIL committed to reach a ratio of 30% of women in the management board and in its senior management by 2028.
- Responsible Procurement: BIL is currently in the process of defining a service providers assessment grid to further implement it in our RFPs and agreements. This will be implemented by Q2 2024. Additionally, the Procurement Team has been trained in June 2023 by an external consulting company on ESG principles.

CSR initiatives and donations

As part of its sustainable development strategy, BIL continued launching several initiatives to create ESG awareness and training and uses its Corporate Social Responsibility (CSR) and sponsorship budgets to support different local charities with impact on Health, Education and Environment. Details of BIL's commitments and the various initiatives undertaken can be found in BIL's Sustainability report available on www.bil.com.

In conclusion, the implementation of various initiatives underscores our commitment to Environmental, Social and Governance (ESG) principles. BIL worked on defining first concrete ESG targets, enabling us to better manage ESG risks and exploit opportunities through high-level engagement. To better assess our ESG risk level, the materiality of ESG issues and have a clear vision of where we stand, and what can we improve in the future, BIL solicited its first non-financial rating. The results are promising, with an overall ESG risk rating score of 11.2 (low). We have developed our green financing in line with our ambition to be "Transition Facilitator" for our clients. Sustainable investment products are also central to our sustainable development strategy and obtaining the Luxflag ESG label on an increasing number of our investment funds will help gaining the trust of clients. To support these initiatives, we massively invested in the training of our employees.

Finance by nature is complex. Sustainable finance is a cultural shift and we must ensure that all stakeholders, clients, staff, providers and the society at large are on board. Raising awareness, training and educating will continue to be our focus for the years to come. BIL is committed to embed sustainability in its strategy and to being an actor of the transition to a low carbon economy. Please refer to our latest Sustainability report to have a complete view of our Journey and achievements: https://www.bil.com/sustainability/rapports-fr.html

Risk Management

The main objectives of the Risk Management function are to: (i) ensure that all risks are under control by identifying, measuring, assessing, mitigating and monitoring them on an on-going basis. Global risk charters, policies and procedures define the framework for controlling all types of risks by describing the methods and the limits defined, as well as escalation procedures; (ii) provide the Management Bodies (the BoD, the Board Risk Committee and the Management Board) and all other relevant stakeholders with a comprehensive, objective and relevant overview of risks; (iii) ensure that the risk limits are compatible with the risk appetite framework, which defines the level of risk BIL is willing to take to achieve its strategic and financial objectives - the risk teams should make sure that BIL's strategy plan is compatible with the risk appetite; and (iv) ensure compliance with banking regulation requirements by submitting regular reports to the supervisory bodies, taking part in regulatory discussions and analysing all new requirements related to Risk Management.

Principal Markets

The Issuer's business activities are mainly focused in Luxembourg, which is where the business is headquartered. BIL has dedicated wealth management offices in Switzerland, a Representative Office in Beijing, China, as well as trading floors in Luxembourg and Zurich.

The business description contained herein is accurate at the date of this Base Prospectus.

3.3 Judicial, Arbitration and Administrative Proceedings

Save as disclosed herein (including any information incorporated by reference herein), neither BIL nor any of its branches is or has been involved in any judicial, arbitration or administrative proceedings which may have or have had during the 12 months preceding the date of this Base Prospectus a significant effect on the financial position or prospects of BIL or its branches. Nor so far as BIL and its branches (taken as a whole) are aware, are any such proceedings pending nor threatened.

Please refer to the Litigation section contained in (i) the Annual Report of BIL Group / Financial Statement 2022 of the Issuer; (ii) the Annual Report of BIL Group / Financial Statement 2023 of the Issuer; and (iii) the Semi-Annual Report 2024 of BIL Group for more detailed information.

4. Capital Structure

4.1 Share Capital

As at the date hereof, the share capital of BIL amounts to EUR 146,108,270 divided into 2,087,261 shares with a face value of EUR 70 each; the shares are fully paid in. As of the date hereof, BIL has neither outstanding conditional capital nor outstanding authorised capital. The shares are in the form of registered shares.

Legend Holdings Corp. holds 89.9804 per cent of the issued share capital in BIL and the Grand Duchy of Luxembourg holds a further 9.9978 per cent.

4.2 Outstanding debt obligations

As of the date hereof, BIL has the following additional Tier 1 instrument (AT1) outstanding classified as "other equity instrument" which is held by institutional investors and which is perpetual, subordinated and subject to a point of nonviability (PONV) clause: EUR 175,000,000 5.250 per cent Fixed Rate Resettable Callable Perpetual Additional Tier 1 Capital Notes.

In addition, please see p. 222 of the Annual Report of BIL Group / Financial Statement 2023 regarding the outstanding debt obligations of BIL as of 31 December 2023.

4.3 Own shares

No own shares are currently held by BIL.

IV. DOCUMENTS INCORPORATED BY REFERENCE

1. Financial Reporting

1.1 Financial Reports incorporated by reference

reference is made to the following audited annual reports / financial statements which are incorporated by reference into this Base Prospectus:

(i) the Annual Report of BIL Group / Financial Statement 2022 of the Issuer;

(ii) the Annual Report of BIL Group / Financial Statement 2023 of the Issuer; and

(iii) the Semi-Annual Report 2024 of BIL Group.

These documents may also be requested in printed format, for free distribution, at the offices of the Issuer for a period of twelve months after the publication of this Base Prospectus and are published on www.bil.com.

1.2 Material changes

Save as published or disclosed herein there has been no material change in the financial position of the Issuer since the publication of the most recent financial report referred to above.

2. Terms and Conditions incorportated by reference and Existing Products

This Base Prospectus should serve as a succeeding base prospectus and apply to the continuation of public offers of the existing Products listed in Schedule 1 Part B of this Base Prospectus (the "**Existing Products**"). For this purpose, the documents listed in Schedule 1 Part A of this Base Prospectus, which have been previously published or are published simultaneously with this Base Prospectus, shall be incorporated by reference in, and form part of, this Base Prospectus (together the "**Previous Terms and Conditions**").For the continuation of the public offer of the Existing Products or the issuance of further such Products of a respective series of Existing Products, as the case may be, the relevant Previous Terms and Conditions as referred to in the final terms of such Existing Products shall apply unchanged and exclusively to such Products.

The issuance of further Products of the respective series of Existing Products shall have the same terms and conditions as specified in the relevant Previous Terms and Conditions and as referred to in the final terms of such Products.

The final terms of Existing Products shall be read and construed in conjunction with the Previous Terms and Conditions and this Base Prospectus and continue to apply to such Existing Products. The final terms of the Existing Products are listed in Schedule 1 Part B of this Base Prospectus and are published on the website of the Lead Manager and / or the Issuer and / or Leonteq Securities AG.

V. PRODUCT DESCRIPTION

1. General information about the Products

The structured products that may be issued under this Base Prospectus are generically referred to as "Products" without expressing any views as to their particular features, mechanics or legal qualification. The main categories of Products that may be issued under this Base Prospectus are set out below.

The below listed product categories and products features are based on the categories and additional product features used in the "SSPA Swiss Derivatives Map 2024" issued by the Swiss Structured Products Association SSPA (see "https://sspa.ch/en"). The product categories and products features are not universal and, in different markets and jurisdictions, different products categories and product features may be used for the same Products.

The Products issued under this Base Prospectus may be linked to one or more underlying assets, such as a share, an index, a fund, a foreign exchange rate, a commodity, an interest rate, a bond, a futures contract, a crypto currency or a reference obligation or any other asset. The performance of the Products may depend to some degree on the performance of such underlying asset(s).

Products issued under this Base Prospectus may have characteristics, which partially or significantly deviate from those of the main product categories described in the following.

For additional information and a more detailed explanation of the products, including calculation examples, Investors should consult the website www.sspa.ch/en (or any successor or replacement address thereto). Investors further should be aware that the SSPA categorisation model may be changed from time to time by the SSPA without further notice. The Issuer has no obligation to update or supplement this Base Prospectus in case of such a change in the SSPA categorisation model.

2. Product Types

The main categories of Products that may be issued under this this Base Prospectus are described in the following. The Issuer may issue Products with characteristics, which deviate from those described in the following paragraphs and the Products that may be issued under this Base Prospectus may have other or additional features and may be modified, in each case as set out in the relevant Issue Terms. Additional information on the Products, including a description of the particular Products will be included in the relevant Final Terms.

The Products issued under this Base Prospectus may belong to one of the following product types:

2.1 Capital Protection Products (SSPA Category 11)

"Capital Protection Products" provide for a specific minimal redemption amount. The level of the minimal redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the "Capital Protection Product" that the Investor will be entitled to at the settlement date. The Issuer sets it at the time of the issuance and it applies only at the end of the term or at maturity. The Issuer may set the level of the minimal redemption amount representing the level of capital protection below 100% of the nominal or par value of the "Capital Protection Products" (partial capital protection). Capital protection therefore does not mean that the Investor is entitled to a redemption amount equal to the full nominal or par value of the "Capital Protection

Products". The potential loss is limited by the minimum redemption amount, subject to the credit risk of the Issuer.

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

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

2.2 Yield Enhancement Products (SSPA Category 12)

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

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

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

2.3 Participation Products (SSPA Category 13)

"Participation Products" generally track the performance of the Underlying and enable Investors to participate in the performance of the Underlying. Depending on the structure of the "Participation Product", Investor participate proportionately or disproportionately in the performance of the Underlying. The profit an Investor may achieve by investing in a "Participation Product" is theoretically unlimited, (unless there is a cap) but there is the risk of a total loss (unless there is a partial capital protection).

The product category "Participation Products" includes the following product types:

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

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

In addition to the features of the corresponding "Capital Protection Products", "Yield Enhancement Products" or "Participation Products" on which they are based, "Investment Products with

Additional Credit Risk" are also affected by the occurrence of a defined credit event in respect of a reference entity or obligation. If a credit event occurs in respect of a reference entity or obligation during the term of the "Investment Products with Additional Credit Risk", they will be redeemed at a value which may be significantly below their initial value and as low as zero and Investors will make a partial or total loss.

If no credit event occurs, "Investment Products with Additional Credit Risk" work in the same manner as the corresponding "Capital Protection Product", "Yield Enhancement Product" or "Participation Product" on which they are based.

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

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

2.5 Leverage Products (SSPA Category 20)

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

The product category "Leverage Products" includes the following product types:

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

2.6 Other Product Types

Actively Managed Certificates

"Actively Managed Certificates" reference underlying assets or an index which are actively managed at the discretion of the Index Sponsor during the lifetime in accordance with the relevant Rulebook. In addition to the one-time fees in connection with the issuance of Actively Managed Certificates, Investors may incur recurring costs due to the active management, e.g. also by a third party involved.

Debt Instruments

"Debt Instruments" refer to other debt instruments which are neither Structured Products nor Warrants as further defined in the relevant Issue Terms. Such Debt Instruments typically do not involve underlying assets. For instance, Debt Instruments may be issued in the form of debt obligations.

VI. FORM OF FINAL TERMS AND PRICING SUPPLEMENT

BANQUE INTERNATIONAL À LUXEMBOURG S.A.
(*Incorporated in Luxembourg*)

(the "**Issuer**")

[INDICATIVE] [FINAL TERMS] [PRICING SUPPLEMENT]

dated
[●]

[PRODUCT NAME]
under the Issuance and Offering Programme dated [●] (the "Programme" or the "Base Prospectus")

[the "**Products**"]

[ISIN [●]]
[Swiss Security Number [●]]
[SIX Symbol [●]]
[BX Symbol [●]]
[WKN [●]]
[Internal Reference [●]]
[Other identifier(s) [●]]

[[These [indicative] Final Terms (the "**Final Terms**") are] [This [indicative] Pricing Supplement (the "**Pricing Supplement**") is] supplemental to and should be read in conjunction with the Base Prospectus dated [●][, which expires on [●],] [or, in case such Base Prospectus is replaced by another Base Prospectus by the Issue Date, in conjunction with the latest valid version of the Base Prospectus that has been published by the Issue Date] (such [most recently published] Base Prospectus, as amended from time to time, the "**Base Prospectus**").] [●]

[*For indicative Pricing Supplement only:* The information in this indicative Pricing Supplement is not complete and is subject to completion and amendments which may be made until the Initial Fixing Date (as defined below)]

[*For indicative Final Terms only:* The information in these indicative Final Terms is not complete and is subject to completion and amendments which may be made until the Initial Fixing Date (as defined below). These indicative Final Terms constitute indicative final terms within the meaning of article 45 para. 3 of the Swiss Federal Act on Financial Services ("**FinSA**") and will not be deposited with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. These indicative Final Terms may be used for the purpose of a public offering directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA [during the Subscription Period]. The Products are not FinSA Exempt Products.]

[*(to the extent the Products are not FinSA Exempt Products)*: The Base Prospectus constitutes a base prospectus as per article 45 of the Swiss Federal Act on Financial Services ("**FinSA**"). It has been approved by SIX Exchange Regulation AG ("**SIX Exchange Regulation**") in its capacity as Swiss Prospectus Office and these Final Terms have been deposited with SIX Exchange Regulation in its capacity as Swiss Prospectus Office under FinSA. The Base Prospectus, any supplements thereto and these Final Terms, are available at the relevant notification website specified in these Final Terms (the "**Notification Website**"). Alternatively, the Investor may request hard copies at the Lead Manager`s office. The Products may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA. The Products are not FinSA Exempt Products. [The Issuer does not provide a General Consent for the use of the prospectus, but consents to the use of the Base Prospectus together with these Final Terms in connection with an offer of the Products in Switzerland by the Lead Manager and the following financial intermediaries only: [●] (Individual Consent)]

[There is no obligation of the Issuer and/or the Lead Manager or any third party to list the Product or apply for admission to trading at issuance or during the term of the Product. In case of a Product that is listed or admitted to trading, there is no obligation to maintain a listing/admission to trading during the term of the Product.]

[The Issuer consents to the use of the Base Prospectus together with these Final Terms in connection with a public offer of the Products in Switzerland by any financial intermediary that is authorised to make such offers.]

[*(to the extent the Products are FinSA Exempt Products):* Neither the Base Prospectus nor this Pricing Supplement or any other offering or marketing material relating to the Products constitute a prospectus pursuant to the Swiss Federal Act on Financial Services ("**FinSA**"), and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.

[The Products documented in this Pricing Supplement are FinSA Exempt Products and may not be, offered, sold or advertised, directly or indirectly, in Switzerland to [500 or more than 500] retail clients

(*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**"). Neither this Pricing Supplement nor any offering materials relating to the Products shall be made available to [500 or more than 500] Retail Clients in Switzerland. The offering of the Products directly or indirectly, in Switzerland is only made by way of private placement, i.e., addressing the Products solely at Investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) as per FinSA ("**Professional or Institutional Clients**") [and/or to fewer than 500 Retail Clients].] [The Products documented in this Pricing Supplement [are addressed at Investors acquiring Products to the value of at least CHF 100,000] [,] [and] [have a minimum denomination per unit of CHF 100,000] [and] [do not exceed a total value of CHF 8 million over a 12-month period]. The Products are not and will not be admitted to trading on a Swiss trading venue. The Products are FinSA Exempt Products.] [The Issuer does not provide a General Consent for the use of the prospectus, but consents to the use of the Base Prospectus together with the Pricing Supplement in connection with an offer of the Products in Switzerland by the Lead Manager and the following financial intermediaries only: [●] (Individual Consent)].

The Products documented in [these [indicative] Final Terms] [this [indicative] Pricing Supplement] may be considered [structured products in Switzerland pursuant to article 70 FinSA] [●] and are neither subject to authorisation nor supervision by the Swiss Financial Market Supervisory Authority ("**FINMA**"). None of the Products constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("**CISA**") and Investors do not benefit from the specific investor protection provided under CISA. Investors bear the credit risk of the Issuer. **Investors should read the section "Risk Factors" of the Base Prospectus and, if applicable, the section "Additional Information and Risk Factors" of [these [indicative] Final Terms] [this [indicative] Pricing Supplement]. Investing in this product may put Investor's capital at risk. Investor may lose some or all of its investment.**

Terms used herein shall have the same meaning as set forth in the Base Prospectus. Full information on the Issuer and the offer and structure of the Products can only be assessed on the basis of the combination of [these [indicative] Final Terms] [this [indicative] Pricing Supplement] and the Base Prospectus.

In case of inconsistencies between the provisions of the Base Prospectus and the [[indicative] Final Terms] [[indicative] Pricing Supplement], or provisions introduced by the [[indicative] Final Terms] [[indicative] Pricing Supplement], the [[indicative] Final Terms] [[indicative] Pricing Supplement] shall prevail.

[On or prior to the date of expiration of the Base Prospectus, a new base prospectus (the "**New Base Prospectus**") will be published on the Notification Website. Following the expiry of the Base Prospectus the offering of the Products will continue under the New Base Prospectus. The terms and conditions from the Base Prospectus will be incorporated by reference into the New Base Prospectus and will continue to apply to the Products.] [●]

[Insert other disclaimer and/or restrictions as appropriate.]

A. Product details and operational information

Product Name	[●]
[ISIN]	[●]
[Swiss Security Number]	[●]
[SIX Symbol]	[●]
[BX Symbol]	[●]
[WKN]	[●]
[Internal Reference]	[●]
[Other identifier(s)]	[●]
[SSPA Product type]	[SSPA Product Type] [SSPA Product Code] (as defined in the SSPA Swiss Derivative Map)]
[Capital Protection]	[Not applicable] [Applicable (see below for details)]
Issuer	[Issuer's name and domicile] [(Rating: [●], Supervisory Authority: [●])]
[Lead Manager]	[Lead Manager's name and domicile]
[Calculation Agent]	[Calculation Agent's name and domicile]
[Paying Agent]	[Paying Agent's name and domicile]

[Insert other products details and operational information as appropriate.]

B. Product and contractual terms

General

Issue Price	[CCY] [●]
[Initial Load]	[●]
Issue Size	[up to] [CCY] [●] [(can be increased at any time)]
[Denomination]	[CCY] [●]
[Settlement Currency]	[CCY] [●]
[Currency Protection]	[●][● composite ("composite" means that the currency risk against ● is not hedged)]
[Product type]	[Fixed-end Product] [Open-end Product] [●]
[Warrant type]	[Call Warrant] [Put Warrant] [●]
[Exercise style]	[European] [American] [●]
[Minimum Redemption Number]	[●]
[Minimum Exercise Number]	[●]

[Maximum Redemption Number]	[●]
[Maximum Exercise Number]	[●]
[Bonus Level]	[●%][●]
[[Participation]	[●%][●]
[Capital Protection] [Protection]	[●%][●]
[Conditional Capital Protection] [Conditional Protection]	[●%] [The [Capital Protection] [Protection] applies only if no Credit Event occurs during the Credit Event Observation Period and the Issuer's Termination Right was not exercised. Otherwise the Redemption of the Product may be below the [Conditional Capital Protection] [Conditional Protection] and may, in some circumstances, be zero.]
[Protection Level]	[●%][●]
[Discount]	[●%][●]
[Conversion Ratio]	[●]
[Certificate Type]	[Long] [Short] [●]

[Insert other general product and contractual terms as appropriate.]

Dates

[Subscription Start Date]	[●]
[Subscription End Date]	[●] [●] [CET] [(the Subscription Period might be closed earlier)]]
[Subscription Period]	The period starting on the Subscription Start Date and ending on the Subscription End Date.
Initial Fixing Date	[●] [(or the day and time when the Subscription Period ends)]
Issue Date	[●]
[First Exchange Business Date]	[● (anticipated)]
[Last Exchange Business Date/Time]	[●] [/] [Exchange market close]
[Final Fixing Date]	[●] [(subject to Market Disruption Event provisions)]
[Barrier Observation Period]	[●]
[Redemption Date]	[●]
[Autocall Observation Dates]	[See the Autocall Observation Dates specified below.]
[Credit Event Observation Period]	[●]
[Credit Event Redemption Date]	[●]
[Observation Period]	[●]

[Insert other dates and related terms as appropriate.]

Underlying

[Underlying(s)]	[The Underlying is or is composed out of the following components: [Share] [Participation Certificate] [Index] [Depositary Receipt] [Commodities] [Currency Exchange Rate] [Futures and Other Exchange-Traded Contract] [Fixed Income Instrument or Derivative Instrument] [ETF Share] [Fund Unit] [Reference Rate] [Crypto Asset] [Reference Entity] [Index (of tracker certificates)] [●]]

[Details regarding Underlying] [●]

Underlying [ISIN or other alternative unique identifier]	**[Related Exchange], [Price Source], [Reference Market] and/or [Service Provider] [Reference Entity Notional Amount]**	**[Bloomberg Ticker]** [●]	**[Initial Fixing Level]** [●]	**[Underlying or Product specific details e.g. [Strike Level] [Barrier Level] [Trigger Level] [Conversion Ratio] [Bonus Level] [Index Sponsor] [Index Calculation Agent] [Total Return Index] [Price Index] [●]]**	[●]
[●]	[●]	[●]	[●]	[●]	[●]

[Details regarding Underlying [Components]] [●]

i	**Underlying [Component$_{ij}$] [ISIN or other alternative unique identifier]**	**[Related Exchange] or [Price Source] and/or [Reference Market] [●]**	**[Bloomberg Ticker]** [●]	**[Initial Fixing Level]** [●]	**Initial Weight**	**Number of Underlying Components (W_i)**	**[Underlying Component or Product specific details, e.g [Strike Level] [Barrier Level] [Trigger Level] [Conversion Ratio] [Index Sponsor] [Index Calculation Agent] [Total Return Index] [Price Index] [●]]**	**[●] [Place where the annual reports of the issuer of Underlying (in case of shares or debt instruments) are available free of charge if the documents are not uploaded on the internet page of the issuer]**
1	[●]	[●]	[●]	[●]	[●]%	[●]	[●]	[●]
2	[●]	[●]	[●]	[●]	[●]%	[●]	[●]	[●]
[n]	[●]	[●]	[●]	[●]	[●]%	[●]	[●]	[●]

[Additional Details regarding funds as Underlyings [Components]] [•]

	Underlying [Component] [ISIN or other alternative unique identifier]	**[Fund Management Company] [issuer]**	**[Investment universe of fund]**	[●]
1	[●]	[●]	[●]	[●]
2	[●]	[●]	[●]	[●]
[n]	[●]	[●]	[●]	[●]

[[Generic Front Month Futures Contract] [●] [Since futures contracts have a limited term, so-called roll-overs are regularly needed during the term of the Product. Generic Front Month Futures Contract refers to the next expiring futures contract in the below table of eligible futures contracts, whereby each futures contract is substituted after the expiration date of the underlying delivery month's option contract. Therefore, the Bloomberg ticker for the Generic Front Month Futures Contract may refer to different futures contracts.] [●]]

[Reference Market/Price Source] [●]	**[Commodity] [●]**	**[Bloomberg Ticker] [●]**	**[Unit] [●]**	**[Futures Contracts] [●]**
[Specify Reference Market/Price Source] [●]	[Specify Commodity] [●]	[Specify bloomberg ticker] [●]	[Specify unit] [●]	[Jan] [Feb], [Mar] [Apr] [May] [Jun] [Jul] [Aug] [Sep] [Oct] [Nov] [Dec] [●]
[Insert further rows as applicable]	[Insert further rows as applicable]	[Insert further rows as applicable]	[Insert further	[Insert further rows as applicable]

			rows as applicable]	

[insert additional or alternative Underlying tables as appropriate] [●]

[Additional Disruption Event]	[Increased Cost of Hedging] [Change in Law] [Hedging Disruption] [Insolvency Filing] [Failure to Deliver] [Reduced Number of Shares] [Permanent Market Disruption Event] [●]
[Underlying Valuation Dates Adjustments for Disrupted Dates]	[Individual Adjustment] [Common Adjustment]
[Maximum Days of Disruption]	[●] [8]
[Derived Exchange Rate]	[Applicable] [Not Applicable]
[Service Provider]	[●]
[**Index Rules**]	[[In case of Index Linked Products: Include link to a website where the index rules containing the frequency and method of calculation and the Index adjustment procedures can be found]]

[Insert other terms regarding the Underlying as appropriate]

[Coupon

(*in case of fixed rate*)

[Coupon [Scenarios]]	[*insert coupon mechanisms, including, but not limiting to coupon table*] [●]
[Coupon Rate(s)]	[●]
[Coupon Payment Date(s)]	[●]
[Interest Record Date]	[●] [● Business Days prior to [the Coupon Payment Date] [●]]
[Coupon Amount(s)]	[●]
[Coupon Amount(s) and Coupon Payment Date(s)]	[●]
[Day Count Fraction]	[●]
[Business Day Convention]	[●]
[Conditional Coupon Amount]	[●]
[Coupon Trigger Event]	[●]
[Coupon Period]	[*insert coupon period description*] [●]

(*in case of floating rate*)

[**Floating Rate Coupon Provisions**]	[Applicable]
[**Coupon Accrual Start Date**]	[Issue Date]
[Coupon Payment Date(s)]	[●]
[Final Coupon Period End Date]	[●]
[Method for determining Coupon Payments]	[Screen Rate Determination]/[Overnight Rate with [Compounding]]
[Screen Rate determination]	[Reference Rate: ●] [Interest Determination Date: ●] [Screen Page: ●] [Relevant Time: ●] [Relevant Financial Centre: ●] [Day Count Fraction: ●] [Business Day Convention: ●]
[Overnight Rate determination]	[Floating Rate Option: [CHF-SARON][EUR-EuroSTR][GBP-SONIA][JPY-TONA][SGD-SORA][USD-SOFR]] [Compounding:][Compounding with Observation Period Shift with [5] Observation Period Shift Business Days] [●]
[Margin]	[Not Applicable][●]
[[Minimum][Maximum] Rate of Interest]	[Not Applicable][●]
[Coupon Trigger Event]	[●]

[Insert other terms regarding Coupon as appropriate.] ***]***

[Early Redemption

[Early Redemption]	[insert early redemption mechanisms, including, but not limiting to, early redemption scenarios and early redemption amounts; and early redemption table] [●]

[Insert other terms regarding Early Redemption as appropriate.] **]**

[Redemption

Settlement type	[Cash Settlement] [Delivery of Underlying] [●]
Redemption [Scenario]	[insert redemption mechanisms and amount, including, but not limiting to, redemption scenarios and redemption amounts / applicable formula.] [●]
Initial Fixing Level	[●]
[Final Fixing Level]	[●]

[Barrier Event]	[●]
[Worst Performance]	[●]
[Final Basket Level]	[●]
[Basket Level]	[●]
[Dividends]	[●]
[Conversion Ratio]	[●]
[FX Rate]	[●]
[Knock-out Provisions]	[●]
[Stop Loss Event]	[●]
[Unwind Liquidation Price]	[●]
[Limitations regarding transferability of Underlying (in case of Delivery of Underlying)]	[●]

[Insert additional terms relating to Redemption as appropriate]]

[Additional provisions for Credit Linked Products

[Type of Credit Linked Products]	[Single Name CLP] [Nth-to-Default CLP] [Portfolio CLP] [Index CLP] [●]
[Transaction Type]	[●]
[Redemption]	[*Specify Redemption scenarios (including provisions regarding Credit Event Redemption Date, Scheduled Redemption Date, Direct Loan Participation, Reference Obligations Only, Excluded Deliverable Obligations, Fallback Discounting*)]
[Credit Event]	[*Specify Credit Event*]
[Multiple Holder Obligation]	[Applicable] [Not Applicable]
[Grace Period Extension]	[Applicable] [Not Applicable]
[All Guarantees]	[Applicable] [Not Applicable]
[CLP Settlement Method]	[*Specify settlement Method, e.g. Cash Settlement, Physical Settlement CLP (including Mod R, Mod Mod R etc.) or Auction Settlement*]
[Fallback CLP Settlement Method]	[*Specify Fallback CLP Settlement Method, e.g. Cash Settlement, Physical Settlement CLP (including Mod R, Mod Mod R etc.) or Auction Settlement*]
[Obligation Category]	[*Specify Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan*]
[Obligation Characteristics]	[*Specify Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance, if any . If no obligation characteristics applies, select "None"*]
[Initial Fixing Level]	[●]
[Final Fixing Level]	[●]
[CLP Valuation Methods]	[●]
[CLP Valuation Date and Time]	[●] [●]

[Extension Interest]	[Applicable] [Not Applicable]
[Fixed Recovery]	[Applicable] [Not Applicable]
[Final Price]	[●]%
[Financial Reference Entity Terms]	[Applicable] [Not Applicable]
[Senior Product]	[Applicable] [Not Applicable]
[Subordinated Product]	[Applicable] [Not Applicable]
[Seniority Level]	[●]
[Credit Event Observation Period]	[●]
[Notice Delivery Period]	[●]
[Notice of Publicly Available Information]	[Applicable] [Not Applicable]
[Event Determination Date]	[●]
[Credit Event Backstop Date]	For the purposes of the definition of the Credit Event Notice (see Section 1.32. of the ISDA Definitions) and the definition of the DC Credit Event Announcement (see Section 1.28. of the ISDA Definitions), the Credit Event Backstop Date shall be "not applicable".
[Business Day]	[●]
[Accrued Interest]	[Include Accrued Interest applicable] [Exclude Accrued Interest applicable]
[Additional Obligation]	[●]
[Issuer Call Option] (if Applicable specify the below)	[Applicable] [Not Applicable]
[Redemption at]	[Redemption Amount]/[Issuer Call Option Redemption Amount]/[Liquidation Amount]
[Issuer Call Option Exercise Date(s)]	[Each Business Day falling after the Issue Date]/[]/[Not Applicable]
[Issuer Call Option Notice Period]	[[] Business Day[s]]/[Not Applicable]
[Final Fixing Date]	[Not Applicable]/[In respect of each Product for which the Issuer has exercised its Issuer Call Option, the day specified as the Final Fixing Date in the Issuer Call Option Redemption Notice]
[Redemption Date]	[Not Applicable]/[In respect of each Product for which the Issuer has exercised its Issuer Call Option, the Issuer Call Option Redemption Date]

[Insert additional product and contractual terms as appropriate]]

[Additional provisions for Tracker Certificates referencing an actively managed underlying

[Index Sponsor]	[*Specify name, address and supervisory authority or declaration that Index Sponsor is not prudentially supervised.*]
[Strategy]	[*Specify investment universe, criteria for selecting securities, treatment of income from the strategy (i.e. accumulating or distributing), to the extent not specified in the relevant Index Rulebook*]
[Fees]	[*Specify Calculation Agent Fee (CAF), Management Fee (MF), Advice Fee (AF), Collateral Fee (CF), Performance Fee (PF), Rebalancing Fee and therefore required parameter (e.g. DayCount, Watermark etc.).*]

[Interim Payments]	[●]
[Issuer Termination Right]	[●]
[Investor's Termination Right]	[●]
[Extraordinary Termination]	[●]
[Stop Loss Event]	[●]
[Stop Loss Level]	[●]

[Insert additional product and contractual terms as appropriate]]

[Additional Provisions for Debt Instruments

[Placement]	[direct] [underwritten]
[Share underwritten]	[•%]
[Underwriter]	[•]
[Private placement of Products]	[not applicable]
[Tranches available on certain markets only]	[not applicable]
[Net proceeds]	[•]

[Insert additional product and contractual terms as appropriate]]

C. Other information and terms

[[Distribution] [●] Fee]	[●]
Listing / Exchange	[The Products are not listed or admitted to trading and may not be listed or admitted to trading without the prior consent of the Issuer and/or the Lead Manager.] [SIX Swiss Exchange AG / BX Swiss AG] [/][*any other Exchange or Mulitlateral Trading Facility if applicable*]
Secondary Market	[Daily price indications will be available from [●] on [●]] [No Secondary Market] [●]
[Business Day Convention other than for Coupons]	[●]
[Quoting Type]	[Secondary market prices are quoted [dirty] [clean]; accrued interest is [not] included in the prices.] [●]
[Quotation Type]	[Secondary market prices are quoted in percentage.] [Secondary market prices are quoted in the Settlement Currency, per Product.] [●]
Minimum Investment	[CCY] [●]
Minimum Trading Lot	[CCY] [●]
Clearing	[SIX SIS Ltd] [Euroclear Bank S.A./N.V.] [Clearstream Banking S.A.] [LuxCSD S.A.] [●]
[Depository]	[SIX SIS Ltd] [Euroclear Bank S.A./N.V.] [Clearstream Banking S.A.] [LuxCSD S.A.] [●]

[Sole Settlement Organisation][*relevant for Dematerialised Securities*]	[LuxCSD S.A.]
[Public Offering]	[Switzerland]
Form	[Intermediated Securities (Uncertificated Securities)] [Intermediated Securites (Permanent Global Certificate)] [Euroclear/Clearstream Securities] [LuxCSD Securities] [Dematerialised Securities] [●]
Governing Law / Jurisdiction	[Swiss law [*Insert for Euroclear/Clearstream Securities*: (provided that, as regards the form of, title in, and transfer of such Euroclear/Clearstream Securities, Luxembourg law is the governing law)]/ Zurich] [Luxembourg law [*Insert for Intermediated Securities*: (provided that, as regards the form of, title in, and transfer of such Intermediated Securities, Swiss law is the governing law)]/ Luxembourg]
Notification Website:	[●]
Selling Restrictions:	[CH, UK, EEA, US, SG, HK (see Base Prospectus for more information)], persons subject to Sanctions or located, organised or resident in a Sanctioned Country] [●]
[Transfer restrictions]	[Not applicable] [●]
[Significant changes / Responsibility]	[Except as disclosed in these Final Terms and the Base Prospectus, there has been no significant change in the financial or trading position of the Issuer and no material adverse change in the prospects of the [Issuer] since [●]. [*Insert for Products other than FinSA Exempt Products*] [●] [[●] accepts responsibility for the information contained in these Final Terms. The Issuer declares that the information contained in these Final Terms is, to the best of its knowledge, in accordance with the facts and contains no omission of material information.] (Responsibility statement may be deleted for FinSA Exempt Products.) [●]

[Insert additional other information and terms as appropriate]

[D. Additional Information [and] [Risk Factors]

[Insert additional information (such as, but not limiting to, index disclaimers) and or risk factors as appropriate]

VII. GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions are applicable to all Products issued under this Programme by the Issuer and shall be read jointly with the Underlying Specific Conditions as well as the relevant Issue Terms (the General Terms and Conditions together with the relevant Underlying Specific Conditions and the Issue Terms, the "**Conditions**"). Any references to a General Condition shall be deemed to be a reference to the relevant section of the General Terms and Conditions.

In case of any inconsistencies between the Issue Terms and any other parts of the Conditions, the Issue Terms shall prevail. In the event of any inconsistencies between the General Terms and Conditions and the Underlying Specific Conditions, the Underlying Specific Conditions shall prevail.

Where the Issuer, Calculation Agent or any other entity or person acting on behalf of the Issuer exercises a discretion according to the Conditions, it shall do so, unless specified otherwise or the context requires otherwise, (i) as regards Swiss Law Securities, in its duly exercised discretion (billiges Ermessen) and (ii) as regards Luxemburg Law Securities, in its reasonable discretion, each subject to any deviating (a) mandatory rules that apply by operation of law or (b) contractual provisions that are binding for the entity or person exercising the discretion.

The Investors are deemed to have notice of all the provisions of this Programme and the Issue Terms, as applicable.

1. Definitions

The following definitions are applicable to all Products issued under this Programme by the Issuer and shall be read jointly with the other parts of the Conditions, including the Issue Terms.

The following definitions shall have the meanings in respect of any Products as set forth below. Words in the singular shall include the plural and vice versa.

"**2001 Law**" means the Luxembourg law of 1 August 2001 on the the circulation of securities, as amended.

"**2013 Law**" means the Luxembourg law of 6 April 2013 on dematerialised securities, as amended.

"**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.

"**Agents**" means the Paying Agent, the Calculation Agent and any 'Additional Agents' specified in the Issue Terms.

"**American Style Warrant**" has the meaning specified in the General Condition 30.1 (Warrants: American Style Warrants or European Style Warrants).

"**Applicable Banking Regulations**" mean CRD, the Luxembourg Resolution Law, the Banking Law, the CSSF Regulation N°18-03 on the implementation of certain discretions of the CRR, any laws, regulations or acts implementing the CRD and the BRRD and any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and applicable to the Issuer and, at any time, the laws, regulations, circular letters and other requirements, standards, guidelines and policies relating to capital adequacy for credit institutions of either (i) the Competent

Authority and/or (ii) any other national or European authority, in each case then in effect in Luxembourg (or in such other jurisdiction which is the home member state of the Issuer as defined in the CRD, the BRRD, the Luxembourg Resolution Law and the Banking Law and applicable to the Issuer.

"**Applicable Business Day**" means, in respect of a Floating Rate Option, any day that is a business day, banking day or other relevant day that applies, or is specified as such, for the purposes of the determination of the relevant rate pursuant to such Floating Rate Option or, in the absence of any such specified business day, banking day or other relevant day, a business day in the principal financial center for the relevant currency of the Floating Rate Option.

"**Autocall Event**" means an event specified as such in the Issue Terms.

"**Autocall Observation Date**" means a date specified as such in the Issue Terms.

"**Automatic Exercise**" has the meaning specified in the General Condition 32.2 (Automatic Redemption and Automatic Exercise

"**Automatic Redemption**" has the meaning specified in the General Condition 32.2 (Automatic Redemption and Automatic Exercise).

"**Banking Law**" means the Luxembourg act dated 5 April 1993 on the financial sector, as amended.

"**Barrier Level**" and/or "**Trigger Level**" or any other level have the meaning (where applicable) specified in the Issue Terms, provided that the Calculation Agent shall determine such level if it is specified in a way that requires a determination.

"**Barrier Observation Period**" means the period of time as stated in the Issue Terms and includes both, the start and end date of the respective period. In cases where the Calculation Agent determines the Initial Fixing Level based on an observed intraday price at any time on the Initial Fixing Date, the barrier observation will start only after the Product has been fixed on that day. In addition, if the Product's Final Fixing Level is to be determined at any time on the Final Fixing Date (observed price), the barrier observation will end with the Calculation Agent's fixing on that date.

"**Basket**" means (where applicable):

(i) In relation to a Share, the basket of Shares, as specified in the Issue Terms, subject to adjustments;

(ii) In relation to an Index, the basket of Indices, as specified in the Issue Terms, subject to adjustments.

(iii) In relation to any other Underlying, the basket of such other Underlyings, as specified in the Issue Terms, subject to adjustments.

"**BIL Group**" means the Issuer and its consolidated Subsidiaries from time to time.

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may come into effect in place thereof, as implemented in Luxembourg and as amended or replaced from time to time, including Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 and including any other relevant implementing regulatory provisions.

"**Business Day**" in connection with any payment and settlement procedure (including precious metals) means a day on which (i) relevant clearing systems are open and Products can be settled, (ii) relevant commercial banks are open, (iii) banks in Zurich are open, (iv) foreign exchange markets execute payments in the respective Settlement Currency and (v) any other day, as specified in the Issue Terms, if applicable.

"**Business Day Convention**" means the convention used for the calculation of any interest amount, as defined in the Issue Terms and or General Condition 5.4 (Business Day Convention).

"**BX Swiss**" means the exchange operated by BX Swiss AG, Switzerland, or its successor.

"**Calculation Agent**" means the calculation agent specified in the Issue Terms.

"**Calculation Amount**" means, unless a calculation amount is specified in the Issue Terms, (i) in respect of Products for which a Denomination but no Reference Amount is defined in the Issue Terms, the Denomination, (ii) in respect of Products for which a Reference Amount is defined in the Issue Terms, the Reference Amount, and (iii) in respect of Products for which neither a Denomination nor a Reference Amount is defined in the Issue Terms, the Issue Price.

"**Calculation Period**" means the relevant period used to calculate the amounts owed by reference to any benchmark or fixed rate, as applicable.

"**Cap Level**" is specified in the Issue Terms (where applicable).

"**Cash Settlement**" has the meaning specified in the General Condition 32.9 (Cash Settlement), or in the Issue Terms (where applicable).

"**Cash Settlement Amount**", means, unless specified otherwise in the Issue Terms (where applicable), in relation to any Products, any amount to which the Investor is entitled in the Settlement Currency in relation to each such Product in respect of a Cash Settlement or, if units are specified in the applicable Issue Terms, each unit, as the case may be, as determined by the Calculation Agent pursuant to the provisions set out in the applicable Issue Terms.

"**Cash Settlement Disruption**" means, in the case of a Cash Settlement, the occurrence of any event giving rise to a suspension or material limitation, in the opinion of the Calculation Agent, of transfers of any amounts in the Settlement Currency.

"**CHF-SARON**" means that the rate for a Reset Date will be SARON as provided by the administrator of SARON to, and published by, authorised distributors of SARON in respect of that day at or after 6:00 p.m., Zurich time (or any amended publication time as specified by the administrator of SARON in the SARON benchmark methodology), on the SARON Fixing Day, as calculated pursuant to the applicable Compounding Method, provided that the following shall apply:

(i) "**SARON Fixing Day**" means, in respect of SARON and a Reset Date, that day (or any amended publication day for SARON as specified by the administrator of SARON in the SARON benchmark methodology).

(ii) Rounding

Rounding shall be made to the nearest one ten-thousandth of a percentage point (0.0001%).

(iii) Day Count Fraction

The Day Count Fraction shall be Act/360.

(iv) Business Days and Business Day Convention

Zurich; Following Business Day Convention.

(v) Temporary Non-Publication of SARON

Subject to the below, if SARON in respect of the Reset Date is not published by the administrator of SARON or an authorised distributor and is not otherwise provided by the administrator of SARON by either (A) the SARON Fixing Day or (B) such other date on which SARON is required, then the rate for that Reset Date will be the last provided or published SARON.

(vi) SARON Index Cessation Effective Date

If a SARON Index Cessation Event occurs, the rate for a SARON Fixing Day occurring on or after the SARON Index Cessation Effective Date will be the NWG Recommended Rate.

(vii) Temporary Non-Publication of NWG Recommended Rate

If there is an NWG Recommended Rate before the end of the first Zurich Banking Day following the SARON Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the NWG Recommended Rate, then, subject to the below, in respect of any day for which the NWG Recommended Rate is required, references to the NWG Recommended Rate will be deemed to be references to the last provided or published NWG Recommended Rate. However, if there is no last provided or published NWG Recommended Rate, then in respect of any day for which the NWG Recommended Rate is required, references to the NWG Recommended Rate will be deemed to be references to the last provided or published SARON.

(viii) No NWG Recommended Rate or NWG Recommended Rate Index Cessation Effective Date

If:

(A) there is no NWG Recommended Rate before the end of the first Zurich Banking Day following the SARON Index Cessation Effective Date; or

(B) there is an NWG Recommended Rate and an NWG Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a SARON Fixing Day occurring on or after the SARON Index Cessation Effective Date or an NWG Recommended Rate Fixing Day occurring on or after the NWG Recommended Rate Index Cessation Effective Date (as applicable) will be the Modified SNB Policy Rate.

(ix) Temporary Non-Publication of SNB Policy Rate

If neither the administrator nor authorised distributors provide or publish the SNB Policy Rate and an SNB Policy Rate Index Cessation Effective Date has not occurred, then in respect of any day for which the SNB Policy Rate is required, references to the SNB Policy Rate will be deemed to be references to the last provided or published SNB Policy Rate.

(x) Definitions

For these purposes:

"**Modified SNB Policy Rate**" means a rate equal to the SNB Policy Rate plus the SNB Spread;

"**NWG Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for SARON by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for purposes of, among other things, considering proposals to reform reference interest rates in Switzerland, and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor;

"**NWG Recommended Rate Fixing Day**" means, in respect of the NWG Recommended Rate and a Reset Date, the publication day specified by the administrator of the NWG Recommended Rate for the NWG Recommended Rate in its benchmark methodology;

"**NWG Recommended Rate Index Cessation Effective Date**" means, in respect of the NWG Recommended Rate and an NWG Recommended Rate Index Cessation Event, the first date on which the NWG Recommended Rate would ordinarily have been provided and is no longer provided;

"**NWG Recommended Rate Index Cessation Event**" means, in respect of the NWG Recommended Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the NWG Recommended Rate announcing that it has ceased or will cease to provide the NWG Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the NWG Recommended Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the NWG Recommended Rate, the central bank for the currency of the NWG Recommended Rate, an insolvency official with jurisdiction over the administrator of the NWG Recommended Rate, a resolution authority with jurisdiction over the administrator of the NWG Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the NWG Recommended Rate, which states that the administrator of the NWG Recommended Rate has ceased or will cease to provide the NWG Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the NWG Recommended Rate;

"**SARON**" means the Swiss Average Rate Overnight (SARON) administered by SIX Index AG (or any successor administrator);

"**SARON Index Cessation Effective Date**" means, in respect of SARON and a SARON Index Cessation Event, the first date on which SARON would ordinarily have been provided and is no longer provided;

"**SARON Index Cessation Event**" means, in respect of SARON:

(A) a public statement or publication of information by or on behalf of the administrator of SARON announcing that it has ceased or will cease to provide SARON permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SARON; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of SARON, the central bank for the currency of SARON, an insolvency official with jurisdiction over the administrator of SARON, a resolution authority with jurisdiction over the administrator of SARON or a court or an entity with similar insolvency or resolution authority over the administrator of SARON, which states that the administrator of SARON has ceased or will cease to provide SARON permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SARON;

"**SNB Policy Rate**" means the policy rate of the Swiss National Bank;

"**SNB Policy Rate Index Cessation Effective Date**" means, in respect of the SNB Policy Rate and a SNB Policy Rate Index Cessation Event, the first date on which the SNB Policy Rate would ordinarily have been provided and is no longer provided;

"**SNB Policy Rate Index Cessation Event**" means, in respect of the SNB Policy Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the SNB Policy Rate announcing that it has ceased or will cease to provide the SNB Policy Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the SNB Policy Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the SNB Policy Rate, the central bank for the currency of the SNB Policy Rate, an insolvency official with jurisdiction over the administrator of the SNB Policy Rate, a resolution authority with jurisdiction over the administrator of the SNB Policy Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the SNB Policy Rate, which states that the administrator of the SNB Policy Rate has ceased or will cease to provide the SNB Policy Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the SNB Policy Rate; and

"**SNB Spread**" means:

(A) if no NWG Recommended Rate is recommended before the end of the first Zurich Banking Day following the SARON Index Cessation Effective Date, the historical median between SARON and the SNB Policy Rate over an observation period of two years starting two years prior to the day on which the SARON Index

Cessation Event occurs and ending on the Zurich Banking Day immediately preceding the day on which the SARON Index Cessation Event occurs; or

(B) if an NWG Recommended Rate Index Cessation Event occurs, the historical median between the NWG Recommended Rate (or, in the absence of the NWG Recommended Rate, SARON) and the SNB Policy Rate over an observation period of two years starting two years prior to the day on which the NWG Recommended Rate Index Cessation Event occurs and ending on the Zurich Banking Day immediately preceding the day on which the NWG Recommended Rate Index Cessation Event occurs, in each case, as determined by the Calculation Agent.

"**Clearing**" and/or "**Clearing System**" means (i) in relation to Products listed on SIX Swiss Exchange and/or on BX Swiss, SIX SIS AG, Olten, Switzerland, or any additional clearing system approved by the Regulatory Board of the SIX or (ii) in relation to any Products which are not listed, SIX SIS, Clearstream, Euroclear, LuxCSD or any clearing system specified in the relevant Issue Terms in which Products are held, or (iii) any other additional clearing system that may be relevant for the Product settlement purposes.

"Clearstream" means Clearstream Banking S.A., or any successor thereto.

"**Clearstream Rules**" means the Management Regulations of Clearstream and the Instructions to Participants of Clearstream, as may be from time to time amended, supplemented or modified.

"CNH" means offshore tradable and deliverable currency of "Renminbi" or "CNY", the lawful currency of the People's Republic of China.

"**Commodity**" means any commodity, as specified in the Issue Terms.

"**Commodity Index**" means the commodity index, as specified in the Issue Terms.

"**Common Depositary**" means, in relation to Euroclear/Clearstream Securities, a common depositary for Euroclear and Clearstream.

"**Common Exchange Business Day**" has the meaning specified in the General Condition 37 (Postponement of Final Fixing Date or Observation Date on the occurrence of an event which is not a Market Disruption Event).

"**Company**" means, for Products with Shares as Underlying, the company that has issued such Shares.

"**Competent Authority**" means the European Central Bank or such other or successor governmental authority exercising primary bank supervisory authority from time to time, in each case with respect to prudential matters in relation to the Issuer and/or the BIL Group.

"**Compounding Method**" means the Method specified as such in the Issue Terms.

"**Compounded Rate**" means, if an Overnight Rate and a Compounding Method is specified in the relevant Issue Terms, a rate determined in respect of the relevant Reset Date according to the applicable Compounding Method.

"**Conditions**" is specified in the introductory paragraph of the General Terms and Conditions.

"**Conversion Rate**" means (where applicable) the rate of conversion of any amount into the Settlement Currency, as specified in the Issue Terms and, if not specified, as reasonably determined by the Calculation Agent.

"**Conversion Ratio**" means the number of Products per Underlying or alternatively the number of Underlyings a given number of Products may be converted into, as specified in the Issue Terms.

"**Coupon**" has the meaning as determined in the Issue Terms.

"**Coupon Amount**" means an amount calculated in accordance with General Condition.

"**Coupon Accrual Start Date**" means the date as of when Floating Rate Coupon start accruing, as specified in the Issue Terms.

"**Coupon Ex-Date**" means, with respect to any Product paying a coupon, the first Exchange Business Day such Product is quoted without the entitlement to the coupon amount on the next following Coupon Payment Date. Local market conventions in respect of the Coupon Ex-Date may apply.

"**Coupon Observation Date**" means a date specified as such in the Issue Terms.

"**Coupon Payment Date**" has the meaning as determined in the Issue Terms.

"**Coupon Period**" means each period from one Coupon Payment Date to the next Coupon Payment Date.

"**CRD**" means any, or any combination of, the CRD Directive, the Banking Law, the CRR, and any CRD Implementing Measures.

"**CRD Directive**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended or replaced from time to time, including Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, or such other directive as may come into effect in place thereof.

"**CRD Implementing Measures**" means any rules implementing the CRD Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority, the European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a standalone basis) or the BIL Group (on a consolidated basis) and which prescribe the minimum requirement for own funds and eligible liabilities of the Issuer (on a standalone basis) or the BIL Group (on a consolidated basis).

"**CRR**" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and investment firms, as amended or replaced from time to time, including Regulation 2019/876, or such other regulation as may come into effect in place thereof.

"**Currency Exchange Rate**" means, subject to adjustment in accordance with the Currency Exchange Rate Linked Conditions, in respect of any day, an exchange rate of one currency for another currency specified as such in the Issue Terms.

"**Custody Bank**" means, in relation to a payment denominated in a particular currency, a bank in the principal financial centre for such currency or, where the relevant payment is denominated in euro, in a city in which banks have access to the TARGET System.

"**Day Count Fraction**" means, in respect of the calculation of an amount for any Calculation Period, the Day Count Fraction specified in respect of a Product in the Issue Terms or, in respect of a Floating Rate Option, in respect of the relevant Floating Rate Option, and:

if "**Actual/Actual (ICMA)**" is so specified, means:

where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

where the Calculation Period is longer than one Regular Period, the sum of:

the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods in any year; and

the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods in any year;

if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

if "**30/360**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)]}{360}$$

Where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (1) that day is the last day of February or (2) such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day of the Calculation Period, unless (1) that day is the last day of February but not the Termination Date or (2) such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

if "**30E/360**" or "**Eurobond Basis**" is so specified means, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + (D_2 - D_1)]}{360}$$

Where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day of the Calculation Period, unless such number would be 31, in which case D2 will be 30.

if "**30E/360 (ISDA)**" is so specified means, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + (D_2 - D_1)]}{360}$$

Where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day of the Calculation Period, unless such number would be 31, in which case D2 will be 30.

"**Debt Instrument**" means a Product other than a Structured Product or Warrant.

"**Definitive Euroclear/Clearstream Securities**" has the meaning given to such term in General Condition 3.2 (Products in the form of Euroclear/Clearstream Securities).

"**Definitive LuxCSD Securities**" has the meaning given to such term in General Condition 3.3 (Products in the form of LuxCSD Securities).

"**Delivery Date**" means in relation to any Delivery of Underlying, the date on which the Delivery of Underlying is made. Unless otherwise specified in the Issue Terms, the Delivery Date is on the Redemption Date subject to the customary settlement cycle of the relevant Underlying applying to the delivery of the relevant Underlying to the Investor.

"**Delivery of Underlying**" has the meaning (where applicable) specified in the General Condition 9.2 (Settlement by Delivery of Underlying) and 9.2.1(Delivery of Underlying) and the relevant Underlying Specific Conditions.

"**Delivery of Underlying Settlement Disruption**" means, in the case of a Delivery of Underlying, the suspension or material limitation, in the opinion of the Calculation Agent, of transfers of the Underlying in the system of any of the Clearing Systems.

"**Delivery of Underlying Settlement Disruption Amount**" means, in respect of each Product, an amount in the Settlement Currency equal to the pro rata proportion of the market value of such Product on or about the Delivery of Underlying Settlement Disruption Date (which shall take into account where some but not all of the Underlyings comprising the Entitlement have been duly delivered pursuant to General Condition 9.2 (Settlement by Delivery of Underlying) and the value of such Underlyings).

Such amount shall be determined by reference to such factors as the Calculation Agent considers to be appropriate including, without limitation:

(a) market prices or values for the Underlying(s) and other relevant economic variables (such as interest rates and, if applicable, exchange rates) at the relevant time;

(b) the remaining life of the Products had they remained outstanding to scheduled maturity and/or any scheduled early redemption date;

(c) the value at the relevant time of any minimum redemption which would have been applicable had the Products remained outstanding to scheduled maturity and/or any scheduled early redemption date;

(d) internal pricing models; and

(e) prices at which other market participants might bid for securities similar to the Products, provided that, if the Issue Terms specifies 'Unwind Costs' to be 'Not Applicable', the Calculation Agent shall not take into account deductions for any costs, charges, fees, accruals, losses, withholdings and expenses, which are incurred by the Issuer or its Affiliates relating to the unwinding of any Hedge Positions and/or related funding arrangements, when determining such market value.

"**Delivery of Underlying Settlement Disruption Date**" means the fifth Relevant Settlement Day following the date of the notice of the relevant election to pay the Delivery of Underlying Settlement Disruption Amount or such other date as may be specified in the relevant notice.

"**Delivery Period**" in relation to Delivery of Underlying Settlement Disruption means the **fifteen** (15) Business Days period starting on the Exchange Business Day following the Final Fixing Date or (in the case of a Valuation Period) the last Final Fixing Date of the Valuation Period (or any other period defined in the Issue Terms).

"**Dematerialised Securities**" means Securities specified in the Issue Terms as being issued as Dematerialised Securities, provided that the identification elements of such securities are recorded in the Issuer's securities issuance account (*compte d'émission*) at LuxCSD, acting as the sole settlement organisation (*organisme de liquidation*) in accordance with the provisions of the 2013 Law. The securities issuance account does not constitute a securities account. The Dematerialised Securities are kept in securities accounts by account keepers acting in accordance with the 2013 Law and the 2001 Law (where such account keepers are in scope of the 2001 Law).

"**Denomination**" means the denomination as set out in the Issue Terms.

"**Early Redemption Date(s)**" has the meaning as specified in General Condition 30.2 (Products other than Warrants: Fixed-end Products or Open-end Products), and set out in the Issue Terms and/or as specified in any Termination Announcement or Termination Notice to the Investors published in accordance with General Condition 19 (Notices).

"**EUR-EuroSTR**" means that the rate for a Reset Date will be EuroSTR as provided by the administrator of EuroSTR to, and published by, authorised distributors of EuroSTR in respect of that day as of 8:00 a.m., Frankfurt time (or any amended publication time as specified by the administrator of EuroSTR in the EuroSTR benchmark methodology), on the EuroSTR Fixing Day, as calculated pursuant to the applicable Compounding Method, provided that the following shall apply:

(i) **"EuroSTR Fixing Day**" means, in respect of EuroSTR and a Reset Date, the TARGET Settlement Day immediately following that day (or any amended publication day for EuroSTR as specified by the administrator of EuroSTR in the EuroSTR benchmark methodology).

(ii) Rounding

Rounding shall be made to the nearest one ten-thousandth of a percentage point (0.0001%).

(iii) Day Count Fraction

The Day Count Fraction shall be Act/360.

(iv) Business Days and Business Day Convention

Target; Following Business Day Convention.

(v) Temporary Non-Publication of EuroSTR

Subject to the below, if EuroSTR in respect of the Reset Date is not published by the administrator of EuroSTR or an authorised distributor and is not otherwise provided by the administrator of EuroSTR by either (A) the EuroSTR Fixing Day or (B) such other date on which EuroSTR is required, then the rate for that Reset Date will be the last provided or published EuroSTR.

(vi) EuroSTR Index Cessation Effective Date

If a EuroSTR Index Cessation Event occurs, the rate for a EuroSTR Fixing Day occurring on or after the EuroSTR Index Cessation Effective Date will be the EUR Recommended Rate.

(vii) Temporary Non-Publication of EUR Recommended Rate

If there is an EUR Recommended Rate before the end of the first TARGET Settlement Day following the EuroSTR Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the EUR Recommended Rate, then, subject to the below, in respect of any day for which the EUR Recommended Rate is required, references to the EUR Recommended Rate will be deemed to be references to the last provided or published EUR Recommended Rate. However, if there is no last provided or published EUR Recommended Rate, then in respect of any day for which the EUR Recommended Rate is required, references to the EUR Recommended Rate will be deemed to be references to the last provided or published EuroSTR.

(viii) No EUR Recommended Rate or EUR Recommended Rate Index Cessation Effective Date

If:

(A) there is no EUR Recommended Rate before the end of the first TARGET Settlement Day following the EuroSTR Index Cessation Effective Date; or

(B) there is an EUR Recommended Rate and an EUR Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a EuroSTR Fixing Day occurring on or after the EuroSTR Index Cessation Effective Date or an EUR Recommended Rate Fixing Day occurring on or after the EUR Recommended Rate Index Cessation Effective Date (as applicable) will be Modified EDFR.

(ix) Eurosystem Deposit Facility Rate

In respect of any day for which the Eurosystem Deposit Facility Rate is required, references to the Eurosystem Deposit Facility Rate will be deemed to be references to the last provided or published Eurosystem Deposit Facility Rate as at close of business in Frankfurt on that day.

(x) Definitions

For these purposes:

"**EDFR Spread**" means:

(A) if no EUR Recommended Rate is recommended before the end of the first TARGET Settlement Day following the EuroSTR Index Cessation Effective Date, the arithmetic mean of the daily difference between EuroSTR and the Eurosystem Deposit Facility Rate

over an observation period of 30 TARGET Settlement Days starting 30 TARGET Settlement Days prior to the day on which the EuroSTR Index Cessation Event occurs and ending on the TARGET Settlement Day immediately preceding the day on which the EuroSTR Index Cessation Event occurs; or

(B) if an EUR Recommended Rate Index Cessation Event occurs, the arithmetic mean of the daily difference between the EUR Recommended Rate and the Eurosystem Deposit Facility Rate over an observation period of 30 TARGET Settlement Days starting 30 TARGET Settlement Days prior to the day on which the EUR Recommended Rate Index Cessation Event occurs and ending on the TARGET Settlement Day immediately preceding the day on which that EUR Recommended Rate Index Cessation Event occurs.

"**EUR Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for EuroSTR by (A) the European Central Bank (or any successor administrator of EuroSTR) and/or (B) a committee officially endorsed or convened by (i) the European Central Bank (or any successor administrator of EuroSTR) and/or (ii) the European Securities and Markets Authority, in each case for the purpose of recommending a replacement for EuroSTR (which rate may be produced by the European Central Bank or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor.

"**EUR Recommended Rate Fixing Day**" means, in respect of the EUR Recommended Rate and a Reset Date, the publication day specified by the administrator of the EUR Recommended Rate for the EUR Recommended Rate in its benchmark methodology.

"**EUR Recommended Rate Index Cessation Effective Date**" means, in respect of the EUR Recommended Rate and an EUR Recommended Rate Index Cessation Event, the first date on which the EUR Recommended Rate would ordinarily have been provided and is no longer provided.

"**EUR Recommended Rate Index Cessation Event**" means, in respect of the EUR Recommended Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the EUR Recommended Rate announcing that it has ceased or will cease to provide the EUR Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the EUR Recommended Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the EUR Recommended Rate, the central bank for the currency of the EUR Recommended Rate, an insolvency official with jurisdiction over the administrator of the EUR Recommended Rate, a resolution authority with jurisdiction over the administrator of the EUR Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the EUR Recommended Rate, which states that the administrator of the EUR Recommended Rate has ceased or will cease to provide the EUR Recommended Rate permanently or indefinitely, provided

that, at the time of the statement or publication, there is no successor administrator that will continue to provide the EUR Recommended Rate.

"**EuroSTR**" means the euro short-term rate (€STR) administered by the European Central Bank (or any successor administrator).

"**EuroSTR Index Cessation Effective Date**" means, in respect of EuroSTR and a EuroSTR Index Cessation Event, the first date on which EuroSTR would ordinarily have been provided and is no longer provided.

"**EuroSTR Index Cessation Event**" means, in respect of EuroSTR:

(A) a public statement or publication of information by or on behalf of the administrator of EuroSTR announcing that it has ceased or will cease to provide EuroSTR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EuroSTR; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of EuroSTR, the central bank for the currency of EuroSTR, an insolvency offi-cial with jurisdiction over the administrator of EuroSTR, a resolution authority with jurisdiction over the administrator of EuroSTR or a court or an entity with similar insolvency or resolution authority over the administrator of EuroSTR, which states that the administrator of EuroSTR has ceased or will cease to provide EuroSTR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide EuroSTR.

"**Eurosystem Deposit Facility Rate**" means the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem and which is published on the ECB's Website.

"**Modified EDFR**" means a rate equal to the Eurosystem Deposit Facility Rate plus the EDFR Spread.

"**Entitlement**" means, in respect of each Product, a number equal to the Conversion Ratio (Rounded) of the Underlying to be delivered pursuant to a Delivery of Underlying. The Entitlement will be determined per Product without first aggregating the entire holding of Products held by an Investor.

"**Euroclear**" means Euroclear Bank S.A./N.V. or any successor thereto.

"**Euroclear Rules**" means the terms and conditions governing the use of Euroclear and the operating procedures of Euroclear, as may be amended, supplemented or modified from time to time.

"**Euroclear/Clearstream Securities**" has the meaning given to such term in General Condition 3.2 (Products in the form of Euroclear/Clearstream Securities).

"**European Style Warrant**" has the meaning specified in the General Condition 30.1 (Warrants: American Style Warrants or European Style Warrants).

"**Exchange**" means the stock exchange where the Product is listed, if applicable, or as specified in the Issue Terms.

"**Exchange Business Day**" means, if not otherwise specified in the Issue Terms or in the Underlying Specific Terms:

(i) a day on which the value of such Underlying is determined:

a. by way of reference to a publication of an official fixing, a day on which such fixing is scheduled to be determined and published by the respective fixing sponsor, subject to Market Disruption Events;

b. by way of reference to an official Cash Settlement price, a day, on which such official Cash Settlement price is scheduled to be determined and published by the respective exchange or any other official announcing party, subject to Market Disruption Events;

c. by way of reference to a price or value source including but not limited to information providers such as Refinitiv, Bloomberg or WM Company PLC and the respective pages on their systems a day on which such price or value source still exists and officially provides for the respective price or value, subject to Market Disruption Events;

d. by way of reference to an official settlement price (for example when a futures contract is the Underlying), a day, on which the Related Exchange is scheduled to be open for trading for its respective regular trading session, notwithstanding any such Related Exchange closing prior to its scheduled closing time;

e. by the Calculation Agent at a specific time on a specific date, without reference to any source, a day on which the Calculation Agent can enter into a spot transaction with another counterparty, depending on both parties' respective opening hours.

(ii) In relation to Products with more than one Underlying, irrespective of their nature, and with an income deriving from the calculated number of Exchange Business Days within a pre-defined period of time, a day, on which at least one of the relevant Underlyings can be determined in accordance with the relevant Issue Terms, the Underlying Specific Conditions or pursuant to (i) above. For the purpose of the respective income calculation only, the other Underlyings for which such day is actually not a scheduled Exchange Business Day will be assessed based on their levels of the previous Exchange Business Day.

"**Exchange Date**" means, in relation to a temporary Global Euroclear/Clearstream Security or a temporary Global LuxCSD Security, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Euroclear/Clearstream Security or a permanent Global LuxCSD Security, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Products when due 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the relevant Paying Agent is located and in the city in which the relevant Clearing System is located.

"**Exercise Date**" means in relation to any Warrant, the day on which a Warrant is deemed to have been exercised in accordance with the General Condition 32.2 (Automatic Redemption and Automatic Exercise

), or if applicable on which an Exercise Notice relating to that Warrant is delivered in accordance with the provisions of the General Condition 32.3 (Redemption Notice and Exercise Notice).

"**Exercise Notice**" means any notice as may be agreed by the Issuer and the Paying Agent (and which is available at the specified office of the Paying Agent) which is delivered by an Investor in accordance with the General Condition 32.3 (Redemption Notice and Exercise Notice).

"**Exercise Period**" means, in the case of American Style Warrants, a period starting on the Issue Date and ending on the Expiration Date or as specified in the Issue Terms.

"**Expiration Date**" means the date, as specified under Final Fixing Date in the Issue Terms, subject to Market Disruption Event provisions.

"**Fair Market Value**" means the value of the Product as determined by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, in any case taking into account established market practice, if any, provided that such calculation is made on the basis of the market value of the relevant Underlying and of the relevant market conditions after deduction of the costs of the Issuer for unwinding any related underlying hedging arrangements.

"**FI**" has the meaning specified in the General Condition 29 (Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties).

"**Final Coupon Period End Date**" means the date specified as such in the Issue Terms.

"**Final Fixing Averaging Date**" means a date specified as such in the Issue Terms.

"**Final Fixing Date**" means, subject to provisions regarding Market Disruption, the date specified in the Issue Terms or if such date is not an Exchange Business Day the next succeeding Exchange Business Day.

"**Final Fixing Level**" has the meaning as determined in the Issue Terms.

"**Final Terms**" mean any Final Terms prepared in relation to any Product which is not a FinSA Exempt Product in accordance with the Form of Issue Terms pursuant to section VI(FORM OF FINAL TERMS AND PRICING SUPPLEMENT).

"**FinSA**" means the Swiss Financial Services Act of 15 June 2018 as amended.

"**FinSA Exempt Products**" mean the Products specified as FinSA Exempt Products in the Pricing Supplement.

"**Fixed-end Products**" mean Products with a fixed duration, ending on the Final Fixing Date and/or the Redemption Date, respectively.

"**Fixing Page**" means the Screen Page.

"**Floating Rate Coupon Provisions**" means the provisions specified as such in General Condition 5.6.

"**Floating Rate Option**" means CHF-SARON, EUR-EuroSTR, GBP-SONIA, JPY-TONA, SGD-SORA or USD-SOFR, as determined in the relevant Issue Terms, or such other Floating Rate Option as defined in the Issue Terms.

"**Following Business Day Convention**" means that the immediately following Business Day or Exchange Business Day, as applicable according to the Issue Terms, shall apply if the date indicated in the Issue Terms is not a Business Day or not an Exchange Business Day. Such convention shall apply by default unless otherwise specified in the Issue Terms.

"**Futures and Options Exchange**" means in relation to any Product the organised futures and options exchanges or any succeeding market thereto, as the case may be, on which futures and/or options relating to the Underlying are traded as specified in the Issue Terms.

"**FX Disruption Event**" means, as determined in the discretion of the Issuer, the occurrence of an event that is likely to make it impossible and/or impracticable for the Issuer and/or Calculation Agent to, or otherwise materially affects the ability of the Issuer and/or Calculation Agent to:

(i) convert the Relevant Currency into the Settlement Currency (including, without limitation, due to any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency, or splits in the relevant exchange rate into dual or multiple foreign exchange rates); or

(ii) deliver the Settlement Currency; or

(iii) obtain any Settlement Currency, or obtain a relevant exchange rate in an appropriate amount; or

(iv) deliver the Settlement Currency from accounts within the Relevant Country to accounts outside such jurisdiction; or

(v) deliver the Relevant Currency between accounts within the Relevant Country to a person that is a non-resident of that jurisdiction; or

(vi) obtain a firm quote of an offer price in respect of an amount in the Relevant Currency or the Settlement Currency; or

(vii) hedge the Issuer's obligations with respect to the Products or to unwind any such hedge due to currency controls or the intention to impose currency controls given in a public notice of a governmental authority of the Relevant Country or any event specified under (i) to (vi) above.

"**FX Establishment Date**" has the meaning given in the General Condition 36 (Adjustments due to Cash Settlement Disruption, Payment Disruption or due to the Occurrence of a Foreign Exchange Disruption Event).

"**FX Rate**" means, unless otherwise specified in the relevant Issue Terms, the exchange rate (determined by the Calculation Agent in good faith and in a commercially reasonable manner) for the sale of the Relevant Currency for the Settlement Currency, expressed as a number of units of Relevant Currency per unit of the Settlement Currency. In the event that a currency used in connection with the FX Rate or in any other context is replaced by another currency in its function as legal tender in the country or jurisdiction, or countries or jurisdictions, by the authority, institution or other body which issues such currency, or is merged with another currency to become a common currency, the affected currency shall be replaced for the purposes of the Conditions by such replacing or merged currency, if applicable after appropriate adjustments have been made, provided that the successor currency and the date of its first application shall be determined by the Calculation Agent in its discretion and will be notified to the Investors in accordance with General Condition 19 (Notices).

"**GBP-SONIA**" means that the rate for a Reset Date will be SONIA as provided by the administrator of SONIA to, and published by, authorised distributors of SONIA in respect of that day as of 9:00 a.m.,

London time (or any amended publication time as specified by the administrator of SONIA in the SONIA benchmark methodology), on the SONIA Fixing Day, as calculated pursuant to the applicable Compounding Method, provided that the following shall apply:

(i) "**SONIA Fixing Day**" means, in respect of SONIA and a Reset Date, the London Banking Day immediately following that day (or any amended publication day for SONIA as specified by the administrator of SONIA in the SONIA benchmark methodology).

(ii) Rounding

Rounding shall be made to the nearest one ten-thousandth of a percentage point (0.0001%).

(iii) Day Count Fraction

The Day Count Fraction shall be Act/365.

(iv) Business Days and Business Day Convention

London; Following Business Day Convention.

(v) Temporary Non-Publication of SONIA

Subject to the below, if SONIA in respect of the Reset Date is not published by the administrator of SONIA or an authorised distributor and is not otherwise provided by the administrator of SONIA by either (A) the SONIA Fixing Day or (B) such other date on which SONIA is required, then the rate for that Reset Date will be the last provided or published SONIA.

(vi) SONIA Index Cessation Effective Date

If a SONIA Index Cessation Event occurs, the rate for a SONIA Fixing Day occurring on or after the SONIA Index Cessation Effective Date will be the GBP Recommended Rate.

(vii) Temporary Non-Publication of GBP Recommended Rate

If there is a GBP Recommended Rate before the end of the first London Banking Day following the SONIA Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the GBP Recommended Rate, then, subject to the below, in respect of any day for which the GBP Recommended Rate is required, references to the GBP Recommended Rate will be deemed to be references to the last provided or published GBP Recommended Rate. However, if there is no last provided or published GBP Recommended Rate, then in respect of any day for which the GBP Recommended Rate is required, references to the GBP Recommended Rate will be deemed to be references to the last provided or published SONIA.

(viii) No GBP Recommended Rate or GBP Recommended Rate Index Cessation Effective Date

If:

(A) there is no GBP Recommended Rate before the end of the first London Banking Day following the SONIA Index Cessation Effective Date; or

(B) there is a GBP Recommended Rate and a GBP Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a SONIA Fixing Day occurring on or after the SONIA Index Cessation Effective Date or a GBP Recommended Rate Fixing Day occurring on or after the GBP Recommended Rate Index Cessation Effective Date (as applicable) will be the UK Bank Rate.

(ix) UK Bank Rate

In respect of any day for which the UK Bank Rate is required, references to the UK Bank Rate will be deemed to be references to the last provided or published UK Bank Rate as at close of business in London on that day.

(x) Definitions

For these purposes:

"**GBP Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for SONIA by (A) the administrator of SONIA if the administrator of SONIA is a national central bank, or (B) if the national central bank administrator of SONIA does not make a recommendation or the administrator of SONIA is not a national central bank, a committee designated for this purpose by one or both of the Financial Conduct Authority (or any successor thereto) and the Bank of England and as provided by the then administrator of that rate (or a successor administrator) or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor;

"**GBP Recommended Rate Fixing Day**" means, in respect of the GBP Recommended Rate and a Reset Date, the publication day specified by the administrator of the GBP Recommended Rate for the GBP Recommended Rate in its benchmark methodology;

"**GBP Recommended Rate Index Cessation Effective Date**" means, in respect of the GBP Recommended Rate and a GBP Recommended Rate Index Cessation Event, the first date on which the GBP Recommended Rate would ordinarily have been provided and is no longer provided;

"**GBP Recommended Rate Index Cessation Event**" means, in respect of the GBP Recommended Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the GBP Recommended Rate announcing that it has ceased or will cease to provide the GBP Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the GBP Recommended Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the GBP Recommended Rate, the central bank for the currency of the GBP Recommended Rate, an insolvency official with jurisdiction over the administrator of the GBP Recommended Rate, a resolution authority with jurisdiction over the administrator of the GBP Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the GBP Recommended Rate, which states that the administrator of the GBP Recommended Rate has ceased or will cease to provide the GBP Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the GBP Recommended Rate;

"**SONIA**" means the Sterling Overnight Index Average (SONIA) rate administered by the Bank of England (or any successor administrator);

"**SONIA Index Cessation Event**" means, in respect of SONIA:

(A) a public statement or publication of information by or on behalf of the administrator of SONIA announcing that it has ceased or will cease to provide SONIA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SONIA; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of SONIA, the central bank for the currency of SONIA, an insolvency official with jurisdiction over the administrator of SONIA, a resolution authority with jurisdiction over the administrator of SONIA or a court or an entity with similar insolvency or resolution authority over the administrator of SONIA, which states that the administrator of SONIA has ceased or will cease to provide SONIA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SONIA;

"**SONIA Index Cessation Effective Date**" means, in respect of SONIA and a SONIA Index Cessation Event, the first date on which SONIA would ordinarily have been provided and is no longer provided; and

"**UK Bank Rate**" means the official bank rate as determined by the Monetary Policy Committee of the Bank of England and published by the Bank of England from time to time.

"**General Condition**" means any provision of the General Terms and Conditions.

"**Global Euroclear/Clearstream Securities**" has the meaning given to such term in General Condition 3.2 (Products in the form of Euroclear/Clearstream Securities).

"**Global LuxCSD Securities**" has the meaning given to such term in General Condition 3.3 (Products in the form of LuxCSD Securities).

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions, or (c) other instruments or arrangements (howsoever described) by the Issuer and/or Calculation Agent or any of their Affiliates in order to hedge individually, or on a portfolio basis, the Issuer's obligations in respect of the Products.

"**Hedging Disruption**" has the meaning specified in the General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

"**Hedging Entity**" has the meaning specified in the General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

"**Increased Cost of Hedging**" has the meaning specified in the General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

"**Index**" means, in respect of any Product relating to an index, each index specified in the Issue Terms and published by the relevant Index Sponsor.

"**Index Calculation Agent**" has the meaning specified in the Issue Terms.

"**Index Sponsor**" has the meaning specified in the Issue Terms.

"**Initial Fixing Date**" means, subject to provisions regarding Market Disruption, the date specified in the Issue Terms or if such date is not an Exchange Business Day the next succeeding Exchange Business Day.

"**Initial Fixing Level**" has the meaning as determined in the Issue Terms.

"**Initial Lookback Observation Date**" means a date specified as such in the Issue Terms.

"**Interest Record Date**" has the meaning specified in General Condition 6.7 (Record Date for Payments of interest).

"**Intermediated Securities**" have the meaning given in the General Condition 3.1 (Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

"**Investor**" means a person entitled to the rights conferred by the Products, holding Products through a Securities Account Holder, or, in the case of a Securities Account Holder acting for its own account, the Securities Account Holder itself.

"**ISDA**" means the International Swaps and Derivatives Association, Inc.

"**Issuer**" means BIL which may also be acting through its branches, as specified in the Issue Terms.

"**Issue Date**" has the meaning as determined in the Issue Terms.

"**Issue Price**" means the issue price as specified in the Issue Terms.

"**Issue Size**" means the issue size as specified in the Issue Terms.

"**Issue Terms**" means either the Final Terms or the Pricing Supplement, as applicable, prepared in relation to the Products.

"**JPY TONA**" means that the rate for a Reset Date will be TONA as provided by the administrator of TONA to, and published by, authorised distributors of TONA in respect of that day as of approximately 10:00 a.m., Tokyo time (or any amended publication time as specified by the administrator of TONA in the TONA benchmark methodology), on the TONA Fixing Day, as calculated pursuant to the applicable Overnight Rate Compounding Method, provided that the following shall apply:

(i) "TONA Fixing Day" means, in respect of TONA and a Reset Date, the Tokyo Banking Day immediately following that day (or any amended publication day for TONA as specified by the administrator of TONA in the TONA benchmark methodology).

(ii) Rounding

Rounding shall be made to the nearest one hundred-thousandth of a percentage point (0.00001%).

(iii) Day Count Fraction

The Day Count Fraction shall be Act/365.

(iv) Business Days and Business Day Convention

Tokyo; Following Business Day Convention.

(v) Temporary Non-Publication of TONA

Subject to the below, if TONA in respect of the Reset Date is not published by the administrator of TONA or an authorised distributor and is not other-wise provided by the administrator of TONA by either (A) the TONA Fixing Day or (B) such other date on which TONA is required, then the rate for that Reset Date will be the last provided or published TONA.

(vi) TONA Index Cessation Effective Date

If a TONA Index Cessation Event occurs, the rate for a TONA Fixing Day occurring on or after the TONA Index Cessation Effective Date will be the JPY Recommended Rate.

(vii) Temporary Non-Publication of JPY Recommended Rate

If there is a JPY Recommended Rate before the end of the first Tokyo Banking Day following the TONA Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the JPY Recommended Rate, then, subject to the below, in respect of any day for which the JPY Recommended Rate is required, references to the JPY Recommended Rate will be deemed to be references to the last provided or published JPY Recommended Rate. However, if there is no last provided or published JPY Recommended Rate, then in respect of any day for which the JPY Recommended Rate is required, references to the JPY Recommended Rate will be deemed to be references to the last provided or published TONA.

(viii) No JPY Recommended Rate or JPY Recommended Rate Index Cessation Effective Date

If:

(A) there is no JPY Recommended Rate before the end of the first Tokyo Banking Day following the TONA Index Cessation Effective Date; or

(B) there is a JPY Recommended Rate and a JPY Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a TONA Fixing Day occurring on or after the TONA Index Cessation Effective Date or a JPY Recommended Rate Fixing Day occurring on or after the JPY Recommended Rate Index Cessation Effective Date (as applicable) will be a commercially reasonable alternative for TONA or the JPY Recommended Rate (as applicable) determined by the Calculation Agent, taking into account any rate implemented by central counterparties and/or futures exchanges, in each case with trading volumes in derivatives or futures referencing TONA or the JPY Recommended Rate (as applicable) that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

(ix) Definitions

For these purposes:

"**JPY Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor;

"**JPY Recommended Rate Fixing Day**" means, in respect of the JPY Recommended Rate and a Reset Date, the publication day specified by the administrator of the JPY Recommend-ed Rate for the JPY Recommended Rate in its benchmark methodology;

"**JPY Recommended Rate Index Cessation Effective Date**" means, in respect of the JPY Recommended Rate and a JPY Recommended Rate Index Cessation Event, the first date on which the JPY Recommended Rate would ordinarily have been provided and is no longer provided;

"**JPY Recommended Rate Index Cessation Event**" means, in respect of the JPY Recommended Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the JPY Recommended Rate announcing that it has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the JPY Recommended Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the JPY Recommended Rate, the central bank for the currency of the JPY Recommended Rate, an insolvency official with jurisdiction over the administrator of the JPY Recommended Rate, a resolution authority with jurisdiction over the administrator of the JPY Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the JPY Recommended Rate, which states that the administrator of the JPY Recommended Rate has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the JPY Recommended Rate;

"**TONA**" means the Tokyo Overnight Average Rate (TONA) administered by the Bank of Japan (or any successor administrator);

"**TONA Index Cessation Effective Date**" means, in respect of TONA and a TONA Index Cessation Event, the first date on which TONA would ordinarily have been provided and is no longer provided; and

"**TONA Index Cessation Event**" means, in respect of TONA:

(A) a public statement or publication of information by or on behalf of the administrator of TONA announcing that it has ceased or will cease to provide TONA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide TONA; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of TONA, the central bank for the currency of TONA, an insolvency official with jurisdiction over the administrator of TONA, a resolution authority with jurisdiction over the administrator of TONA or a court or an entity with similar insolvency or resolution authority over the administrator of TONA, which states that the administrator of TONA has ceased or will cease to provide TONA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide TONA.

"**Last Trading Day**" means the date as specified in the Issue Terms.

"**Last Trading Time**", see the definition of Trading Expiration Time.

"**Lead Manager**" means the lead manager specified in the Issue Terms.

"**Liquidation**" means if an order is made or an effective resolution is passed for the judicial liquidation (*liquidation judiciaire*) of the Issuer in accordance with Articles 129ff. of the Luxembourg Resolution Law or the voluntary liquidation (*liquidation volontaire*) of the Issuer in accordance with Article 128 of the Luxembourg Resolution Law.

"**Lock-in Observation Date**" is the date specified as such in the Issue Terms.

"**LuxCSD**" means LuxCSD S.A., or any successor thereto.

"**LuxCSD Rules**" means the rules and procedures of LuxCSD, as may be from time to time amended, supplemented or modified.

"**LuxCSD Securities**" has the meaning given to such term in General Condition 3.3 (Products in the form of LuxCSD Securities).

"**Luxembourg Company Law**" has the meaning given in the General Condition 15 (Meetings of holders).

"**Luxembourg Law Products**" means any Products that are subject to Luxembourg law as the governing law according to the Issue Terms, provided that, as regards the applicable law regarding the form of, title in and transfer of any such Products that are Intermediated Securities shall be Swiss law, as further specified in General Condition 38.2 (Luxembourg Law Products). In the case of Dematerialised Securities, these Products shall be governed entirely by Luxembourg law.

"**Luxembourg Resolution Law**" means the Luxembourg act dated 18 December 2015 concerning, among others, the recovery, resolution and liquidation of credit institutions and certain investment firms, as amended.

"**Main Register of the Clearing System**" has the meaning given in the General Condition 3.1 (Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

"**Margin**" means the relevant margin specified as such in the Issue Terms.

"**Market Disruption Event**" has the meaning specified in the General Condition 33.1 (Market Disruption Event) or in the applicable Underlying Specific Conditions.

"**Masse Meeting**" has the meaning given in the General Condition 15 (Meetings of holders).

"**Maximum Exercise Number**" has the meaning specified in the General Condition 32.1 Number of Products redeemable and of Warrants Exercisable.

"**Maximum Rate of Interest**" means the relevant rate specified as such in the Issue Terms.

"**Maximum (Redemption) Amount**" means (where applicable) the amount, as specified in the Issue Terms.

"**Merger Date**" has the meaning specified in the Underlying Specific Conditions 1.5 (Definitions), 2.5 (Definitions) and 4.5 (Definitions).

"**Merger Event**" has the meaning specified in the Underlying Specific Conditions 1.5 (Definitions), 2.5 (Definitions) and 4.5 (Definitions).

"**Merger Event Redemption Amount**" has the meaning specified in applicable Underlying Specific Conditions.

"**Minimum Exercise Number**" has the meaning specified in the General Condition 32.1 Number of Products redeemable and of Warrants Exercisable.

"**Minimum Investment**" means the minimum investment amount specified in the Issue Terms.

"**Minimum Rate of Interest**" means the relevant rate specified as such in the Issue Terms.

"**Minimum Trading Lot**" means the minimum trading lot specified in the Issue Terms.

"**MREL Disqualification Event**" means at any time in respect of a Product, that all or part of the outstanding principal amount of such Product as the case may be, does not fully qualify as an MREL Eligible Instrument of the Issuer, except where such non-qualification (i) was reasonably foreseeable as at the Issue Date, (ii) is due solely to the remaining maturity of such Product as the case may be, being less than any period prescribed for by the applicable MREL Regulations or (iii) is due to restrictions on the amount of eligible liabilities that such Products, as the case may be, can contribute.

"**MREL Eligible Instrument**" means an instrument that is an eligible liability instrument to be counted towards the minimum requirement for own funds and eligible liabilities of the Issuer in accordance with the applicable MREL Regulations.

"**MREL Regulations**" means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Luxembourg giving effect to the "minimum requirement for own funds and eligible liabilities" ("**MREL**") applicable to banking institutions or any successor laws, regulations, requirements, guidelines and policies that may be applicable to the Issuer and/or the BIL Group, including, without limitation to the generality of the foregoing, CRD, the BRRD, SRM Regulation and the Luxembourg Resolution Law (whether or not such laws, regulations, requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the BIL Group).

"**Non-Payment Proceedings**" has the meaning given in the General Condition 12 (Acceleration).

"**Observation Date**" has, subject to Market Disruption Event provisions, the meaning as determined in the Issue Terms or if such a date is not an Exchange Business Day the following Exchange Business Day.

"**Open-end Products**" mean Products with no fixed maturity.

"**Optimal Tracker Observation Date**" is the date specified as such in the Issue Terms.

"**Overnight Rate**" means the relevant overnight rate specified as such in the Issue Terms.

"**Paying Agent**" means the paying agent specified in the Issue Terms.

"**Payment Disruption**" means, in respect of any payment obligations according to the terms of the Product other than the payment of a Cash Settlement Amount (e.g. the payments of any coupons), the occurrence of any event giving rise to a suspension or material limitation, in the opinion of the Calculation Agent, of transfers of any amounts in the Settlement Currency.

"**Permanent Global Certificate**" has the meaning given in the General Condition 3.1 (Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

"**Postponed Final Fixing Date**" has the meaning given in the General Condition 37 (Postponement of Final Fixing Date or Observation Date on the occurrence of an event which is not a Market Disruption Event).

"**Postponed Observation Date**" has the meaning given in the General Condition 36 (Adjustments due to Cash Settlement Disruption, Payment Disruption or due to the Occurrence of a Foreign Exchange Disruption Event).

"**Preceding Business Day Convention**" means that the immediately preceding Business Day or Exchange Business Day, as applicable according to the Issue Terms, shall apply if the specific date indicated in the Issue Terms is not a Business Day or not an Exchange Business Day. The Preceding Business Day Convention would be specified on the relevant Issue Terms.

"**Price Source**" means in relation to a Commodity, the price source, as specified in the Issue Terms, providing the relevant price of the respective Commodity.

"**Pricing Supplement**" mean any Pricing Supplements prepared in relation to any FinSA Exempt Products in accordance with the Form of Issue Terms pursuant to section VI).

"**Products**" means the products issued under the Issue Terms.

"**Rating**" means the rating of the Issuer, as specified in the Issue Terms.

"**Redemption**" or "**Redemption Amount**" means with respect to any Product a Cash Settlement in the Settlement Currency and/or a Delivery of Underlying, as applicable and specified in the Issue Terms.

"**Redemption Date**" means in relation to (i) any Warrants being exercised, the **fifth** Business Day following the Exercise Date, the Expiration Date or the Final Fixing Date (or, as the case may be, following the Final Fixing Date of the Valuation Period) or any other Business Day specified in the Issue Terms, subject to Market Disruption Event provisions; (ii) any other Products, the Business Day specified in the Issue Terms. Where a Final Fixing Date is postponed as a consequence of a Market

Disruption Event, the Redemption Date, any Coupon Payment Date or any other date, as applicable, will be postponed accordingly.

"**Redemption Notice**" means any notice in the form as may be agreed by the Issuer and the Paying Agent (and which is available at the specified office of the Paying Agent) which is delivered by an Investor in accordance with the General Conditions 32.3 (Redemption Notice and Exercise Notice) and 32.4 (Form of Redemption Notice and of Exercise Notice)

"**Reference Amount**" means the reference amount specified in the Issue Terms (where applicable).

"**Reference Banks**" means, in the case of a determination of EURIBOR, the principal Euro-zone office of the major banks in the Euro-zone inter-bank market, in each case selected by the Issuer, or as may be specified in the relevant Issue Terms.

"**Reference Rate**" has the meaning given in the relevant Issue Terms.

"**Register of Uncertificated Securities**" has the meaning given in the General Condition 3.1 (Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

"**Related Exchange(s)**" means the exchange(s) or a quotation system, as specified in the Issue Terms, any successor to such Related Exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying has temporarily relocated on which the relevant Underlying or its components and, are traded, or as specified in the Issue Terms. Any substitute exchange or quotation system must provide comparable liquidity relative to the Underlying as on the original Related Exchange, as determined by the Issuer and/or Calculation Agent.

"**Relevant Compensation Rights**" has the meaning given in the General Condition 18.1 (Waiver of Rights).

"**Relevant Country**" means any country (or political or regulatory authority thereof) which, in respect of the Settlement Currency or the Relevant Currency, as applicable:

a. has such currency as its legal tender or official currency; and

b. in the opinion of the Calculation Agent, has a material connection with such currency.

"**Relevant Currency**" means the currency in which the Underlying is trading on the Related Exchange.

"**Relevant Fees**" has the meaning specified in the General Condition 29(Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties).

"**Relevant Rules**" means, in the case of (a) SIX SIS, the SIS Rules, (b) Euroclear/Clearsteam Securities, the Clearstream Rules or the Euroclear Rules (as applicable) and (c) LuxCSD Securities, the LuxCSD Rules, and/or the terms and conditions and any procedures governing the use of such other relevant clearing system, in each case as updated from time to time, relating to a particular issue of Products, as applicable.

"**Reopening**" has the meaning specified in the General Condition 5.1 (Issue Size).

"**Representatives**" has the meaning given in the General Condition 15 (Meetings of holders).

"**Requisite Amount**" has the meaning specified in Underlying Specific Conditions 32.7.

"**Reset Date**" means, to the extent not defined otherwise in these General Conditions or the Issue Terms, the reset date for the relevant Calculation Period.

"**Retrocession**" has the meaning specified in the General Condition 29(Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties).

"**Screen Rate Determination**" means the provisions specified as such in General Condition 5.5 (Floating Rate Coupon).

"**Screen Page**" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Screen Page in the relevant Issue Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

"**Securities Account Holder**" means a financial intermediary entitled to hold accounts with a Clearing System on behalf of its customers or an Investor entitled to an account with SIX SIS or any other Clearing System, as specified in the relevant Issue Terms.

"**Series**" means two or more Tranches of Products, designated to constitute a Series in the relevant Conditions, with the same Underlying or Underlying Component, issued on the same date.

"**Security Papers**" have the meaning given in the General Condition 3.1 (Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

"**Settlement Currency**" means the currency, as specified in the Issue Terms, used for the payment of any Redemption, Redemption Amount or any other amount.

"**Settlement Disruption** " means a Cash Settlement Disruption or a Delivery of Underlying Settlement Disruption, as applicable.

"**Settlement Expenses**" means, in respect of any Product or Products, if the Issue Terms specifies 'Settlement Expenses' to be 'Applicable', any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by an Investor per Calculation Amount on or in respect of or in connection with the redemption or settlement of such Product or Products by way of delivery of any Delivery of Underlying.

"**Settlement Expenses**" means, in respect of any Product or Products, if the Issue Terms specifies 'Settlement Expenses' to be 'Applicable', any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by an Investor per Calculation Amount on or in respect of or in connection with the redemption or settlement of such Product or Products by way of delivery of any Delivery of Underlying.

"**SGD-SORA**" means that the rate for a Reset Date will be SORA as provided by the administrator of SORA to, and published by, authorised distributors of SORA in respect of that day by 9:00 a.m., Singapore time (or any amended publication time as specified by the administrator of SORA in the SORA benchmark methodology), on the SORA Fixing Day, as calculated pursuant to the applicable Overnight Rate Compounding Method, provided that the following shall apply:

(i) "**SORA Fixing Day**" means, in respect of SORA and a Reset Date, the Singapore Banking Day immediately following that day (or any amended publication day for SORA as specified by the administrator of SORA in the SORA benchmark methodology).

(ii) Rounding

Rounding shall be made to the nearest one ten-thousandth of a percentage point (0.0001%).

(iii) Day Count Fraction

The Day Count Fraction shall be Act/365.

(iv) Business Days and Business Day Convention

Singapore; Following Business Day Convention.

(v) Temporary Non-Publication of SORA

Subject to the below, if SORA in respect of the Reset Date is not published by the administrator of SORA or an authorised distributor and is not other-wise provided by the administrator of SORA by either (A) the SORA Fixing Day or (B) such other date on which SORA is required, then the rate for that Reset Date will be the last provided or published SORA.

(vi) SORA Index Cessation Effective Date

If a SORA Index Cessation Event occurs, the rate for a SORA Fixing Day occurring on or after the SORA Index Cessation Effective Date will be the MAS Recommended Rate.

(vii) Temporary Non-Publication of MAS Recommended Rate

If there is a MAS Recommended Rate before the end of the first Singapore Banking Day following the SORA Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the MAS Recommended Rate, then, subject to the below, in respect of any day for which the MAS Recommended Rate is required, references to the MAS Recommended Rate will be deemed to be references to the last provided or published MAS Recommended Rate. However, if there is no last provided or published MAS Recommended Rate, then in respect of any day for which the MAS Recommended Rate is required, references to the MAS Recommended Rate will be deemed to be references to the last provided or published SORA.

(viii) No MAS Recommended Rate or MAS Recommended Rate Index Cessation Effective Date

If:

(A) there is no MAS Recommended Rate before the end of the first Singapore Banking Day following the SORA Index Cessation Effective Date; or

(B) there is a MAS Recommended Rate and a MAS Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a SORA Fixing Day occurring on or after the SORA Index Cessation Effective Date or a MAS Recommended Rate Fixing Day occur-ring on or after the MAS Recommended Rate Index Cessation Effective Date (as applicable) will be a commercially reasonable alternative for SORA or the MAS Recommended Rate (as applicable) determined by the Calculation Agent, taking into account any rate implemented by central counterparties and/or futures exchanges, in each case with trading volumes in derivatives or futures referencing

SORA or the MAS Recommended Rate (as applicable) that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

(ix) Definitions

For these purposes:

"**MAS Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for SORA by the Monetary Authority of Singapore or by a committee officially endorsed or convened by the Monetary Authority of Singapore (which rate may be produced by the Monetary Authority of Singapore or another administrator) and as provided by the administrator of that rate in respect of the Reset Date or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor;

"**MAS Recommended Rate Fixing Day**" means, in respect of the MAS Recommended Rate and a Reset Date, the publication day specified by the administrator of the MAS Recommended Rate for the MAS Recommended Rate in its benchmark methodology;

"**MAS Recommended Rate Index Cessation Effective Date**" means, in respect of the MAS Recommended Rate and a MAS Recommended Rate Index Cessation Event, the first date on which the MAS Recommended Rate would ordinarily have been provided and is no longer provided;

"MAS Recommended Rate Index Cessation Event" means, in respect of the MAS Recommended Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the MAS Recommended Rate announcing that it has ceased or will cease to provide the MAS Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the MAS Recommended Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the MAS Recommended Rate, the central bank for the currency of the MAS Recommended Rate, an insolvency official with jurisdiction over the administrator of the MAS Recommended Rate, a resolution authority with jurisdiction over the administrator of the MAS Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the MAS Recommended Rate, which states that the administrator of the MAS Recommended Rate has ceased or will cease to provide the MAS Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the MAS Recommended Rate;

"**SORA**" means the Singapore Overnight Rate Average (SORA) as provided by the Monetary Authority of Singapore (or any successor administrator);

"**SORA Index Cessation Effective Date**" means, in respect of SORA and a SORA Index Cessation Event, the first date on which SORA would ordinarily have been provided and is no longer provided;

"**SORA Index Cessation Event**" means, in respect of SORA:

(A) a public statement or publication of information by or on behalf of the administrator of SORA announcing that it has ceased or will cease to provide SORA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SORA; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of SORA, the central bank for the currency of SORA, an insolvency official with jurisdiction over the administrator of SORA, a resolution authority with jurisdiction over the administrator of SORA or a court or an entity with similar insolvency or resolution authority over the administrator of SORA, which states that the administrator of SORA has ceased or will cease to provide SORA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SORA.

"**Share**" means, in respect of any Product relating to shares, each share, depository receipt, or any other equity or equity related instruments or units of investment funds, as specified in the Issue Terms.

"**Significant Fees**" has the meaning specified in the General Condition 29(Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties).

"**SIS Rules**" means the rules and regulations, manuals and operating procedures as well as any agreements between the Issuer and SIS governing the use of SIS, as may be amended, supplemented or modified from time to time.

"**SIX**" or "**SIX Swiss Exchange**" **or** "**SIX Swiss Exchange AG**" means the SIX Swiss Exchange, Zurich, Switzerland, or its successor.

"**SIX SIS**" or "**SIS**" means SIX SIS AG, Olten, Switzerland, or any successor thereof.

"**SIX Swiss Exchange - Structured Products**" means a trading platform/market segment for Structured Products designed and operated by SIX Swiss Exchange AG, Zurich, Switzerland, or its successor.

"**SIX Exchange Regulation**" **or** "**SIX Exchange Regulation AG**" means an autonomous and independent body within SIX Group that regulates and monitors participants and issuers of the trading venues of SIX (e.g. SIX Swiss Exchange - Structured Products).

"**Specified Currency**" means the currency or currencies specified in the Issue Terms.

"**SRM Regulation**" means 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, as amended, including by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019.

"**Stop Loss Level**" has the meaning (where applicable) specified in the Issue Terms.

"**Strike Level**" and/or "**Strike Price**" has the meaning (where applicable) specified in the Issue Terms.

"**Structured Products**" mean structured products such as Certificates, Notes, Reverse Convertibles etc., based on any kind of Underlying, including but not limited to shares, participation certificates, indices, depositary receipts, commodities, currency exchange rates, futures and other exchange-traded contracts, fixed income instruments or derivative instruments, exchange traded funds (ETF) shares, fund units, reference rates, crypto assets, reference entites, actively managed indices and baskets thereof or a combination thereof, as specified in the Issue Terms, according to article 70 of the FinSA and according to section 2 of the Swiss Bankers Association's Guidelines on informing Investors about Structured Products.

"**Subscription Period**" means the period specified as such in the Issue Terms.

"**Subsidiary**" means any company 50 per cent. or more of the equity share capital of which is owned directly or indirectly by the Issuer.

"**Substantial Fees**" has the meaning specified in the General Condition 29(Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties).

"**Successor Index Calculation Agent**" means a successor to the Index Calculation Agent.

"**Successor Index Sponsor**" has the meaning specified in Underlying Specific Conditions 3.2 (Successor Index Sponsor, Successor Index and Index Adjustment Events).

"**Supervisory Permission**" means, in relation to any action, such supervisory permission (or, as appropriate, waiver) from the Competent Authority and/or the relevant resolution authority as is required therefor under applicable MREL Regulations (if any).

"**Swiss Law Products**" means any Products that are subject to Swiss law as the governing law according to the Issue Terms, provided that, as regards the applicable law regarding the form of, title in and transfer of any such Products that are Euroclear/Clearstream Securities shall be Luxembourg law, as further specified in General Condition 38.1 (Swiss Law Products).

"**T2**" means the real time gross settlement system operated by the Eurosystem (or any successor provider of that system, as determined by the Agent).

"**TARGET Settlement Day**" means any day on which T2 (or any successor transfer system, as determined by the Agent) is open for the settlement of payments in Euro. References in the Confirmation to "TARGET" in respect of any day shall be construed as references to a TARGET Settlement Day.

"**TARGET System**" means T2 (or, if such system ceases to be operative, such other system (if any) determined by an Agent to be a suitable replacement).

"**Taxes**" or "**Tax**" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, financial transaction tax, stamp duty, stamp duty reserve tax, charge on income, profits or capital gains and/or other taxes, duties, assessments or

governmental charges of whatever nature chargeable or payable and includes any interest and penalties in respect thereof.

"**Tax Call**" has the meaning given in the General Condition 17 (Taxation/Tax Call).

"**Termination Announcement**" or "**Termination Notice**" has the meaning as specified in the Issue Terms and/or means any notice sent to the Investors in respect of terminating the Products and published in accordance with General Condition 19 (Notices).

"**Tracker Observation Date**" means a date specified as such in the Issue Terms.

"**Trading Day**" means any day that is a scheduled trading day of the Related Exchange, subject to the provisions set forth in the section headed 'Market Disruption Events'.

"**Trading Expiration Time**" and/or "**Last Trading Time**" means the time on the Last Trading Day until which the Products can be traded on the Exchange, as specified in the Issue Terms.

"**Tranche**" means a number of Products that are subject to the same conditions (including further issuances pursuant to General Condition 22 (Further Issues), if any).

"**Transfer Documentation**" means, for each Product, such documentation as is generally acceptable for settlement of the transfer of the relevant Underlying(s) on any Related Exchange(s) or through the Clearing System.

"**Trigger Level**", see the definition of Barrier Level.

"**Unadjusted**" means that the coupon period is not adjusted.

"**Uncertificated Securities**" has the meaning given in the General Condition 3.1 (Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

"**Underlying**" means any Underlying Component and/or Underlying, as the case may be, or as specified in the Issue Terms.

''**Underlying Component**'' relating to Products with Commodity Indices as Underlying, in respect of each physical commodity comprised in the Index, each exchange traded future or exchange traded option contracts for that physical commodity, as determined by the Calculation Agent.

"Underlying Event" has the meaning specified in General Condition 24 (Early Termination due to Events resulting from the Underlying).

"**Underlying Initial Fixing Date**" means a date specified as such in the Issue Terms.

"**Underlying to Deliver**" means, where applicable, a securities paper or instrument as specified in the Issue Terms that will be delivered to the Investor instead of the respective Underlying, if for instance, the Underlying itself cannot – based on the assessment of the Issuer or its agents –be delivered for any reason.

"**Unscheduled Early Redemption Amount**" means, on any day and in relation to the relevant event leading to early redemption of the Products, an amount equal to the Fair Market Value of such Product at the time of the event triggering the early redemption (including the value of accrued interest (if applicable)).

Such amount shall be determined as soon as reasonably practicable following the event giving rise to the early redemption of the Products and by reference to such factors as the Calculation Agent considers to be appropriate, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, including, without limitation:

(a) market value of the Underlying(s) and other relevant economic variables (such as but not limited to interest rates, volatility and, if applicable, exchange rates) at the relevant time;

(b) the remaining life of the Products had they remained outstanding to scheduled maturity and/or any scheduled early redemption date;

(c) the value at the relevant time of any minimum redemption which would have been applicable had the Products remained outstanding to scheduled maturity and/or any scheduled early redemption date;

(d) internal pricing models;

(e) prices at which other market participants might bid for Products similar to the Products; and

(f) adjustments to account for any associated losses, expenses or costs incurred (or which would be incurred) by the Issuer as a result of unwinding, establishing, re-establishing and/or adjusting any hedging arrangements in relation to the Products.

"**USD-SOFR**" means that the rate for a Reset Date will be SOFR as provided by the administrator of SOFR to, and published by, authorised distributors of SOFR in respect of that day at approximately 8:00 a.m., New York City time (or any amended publication time as specified by the administrator of SOFR in the SOFR benchmark methodology), on the SOFR Fixing Day, as calculated pursuant to the applicable Compounding Method, provided that the following shall apply for these purposes.

(i) "**SOFR Fixing Day**" means, in respect of SOFR and a Reset Date, the U.S. Government Securities Business Day immediately following that day (or any amended publication day for SOFR as specified by the administrator of SOFR in the SOFR benchmark methodology).

(ii) Rounding

Rounding shall be made to the nearest one hundred-thousandth of a percentage point (0.00001%).

(iii) Day Count Fraction

The Day Count Fraction shall be Act/360.

(iv) Business Days and Business Day Convention

New York; Following Business Day Convention.

(v) Temporary Non-Publication of SOFR

Subject to the below, if SOFR in respect of the Reset Date is not published by the administrator of SOFR or an authorised distributor and is not otherwise provided by the administrator of SOFR by either (A) the SOFR Fixing Day or (B) such other date on which SOFR is required, then the rate for that Reset Date will be the last provided or published SOFR.

(vi) SOFR Index Cessation Effective Date

If a SOFR Index Cessation Event occurs, the rate for a SOFR Fixing Day occurring on or after the SOFR Index Cessation Effective Date will be the Fed Recommended Rate.

(vii) Temporary Non-publication of Fed Recommended Rate

If there is a Fed Recommended Rate before the end of the first U.S. Government Securities Business Day following the SOFR Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the Fed Recommended Rate, then, subject to the below, in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published Fed Recommended Rate. However, if there is no last provided or published Fed Recommended Rate, then in respect of any day for which the Fed Recommended Rate is required, references to the Fed Recommended Rate will be deemed to be references to the last provided or published SOFR

(viii) No Fed Recommended Rate or Fed Recommended Rate Index Cessation Effective Date

If:

(A) there is no Fed Recommended Rate before the end of the first U.S. Government Securities Business Day following the SOFR Index Cessation Effective Date; or

(B) there is a Fed Recommended Rate and a Fed Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a SOFR Fixing Day occurring on or after the SOFR Index Cessation Effective Date or a Fed Recommended Rate Fixing Day occurring on or after the Fed Recommended Rate Index Cessation Effective Date (as applicable) will be OBFR and, for the purposes of Section 6.5(b) (Applicable Business Day), Applicable Business Days will be New York Fed Business Days.

(ix) Temporary Non-Publication of OBFR

If neither the administrator nor authorised distributors provide or publish OBFR then, subject to the below, in respect of any day for which OBFR is required, references to OBFR will be deemed to be references to the last provided or published OBFR.

(x) OBFR Index Cessation Effective Date

If:

(A) there is no Fed Recommended Rate before the end of the first U.S. Government Securities Business Day following the SOFR Index Cessation Effective Date, or there is a Fed Recommended Rate and a Fed Recommended Rate Index Cessation Effective Date subsequently occurs; and

(B) an OBFR Index Cessation Effective Date also occurs,

then the rate for an OBFR Fixing Day occurring on or after the OBFR Index Cessation Effective Date (or, if the SOFR Index Cessation Effective Date or Fed Recommended Rate Index Cessation Effective Date (as applicable) is later, a SOFR Fixing Day occurring on or after the SOFR Index Cessation Effective Date or a Fed Recommended Rate Fixing Day occurring on or after the Fed Recommended Rate Index Cessation Effective Date, as applicable) will be the FOMC Target Rate and Applicable Business Days will be New York City Banking Days.

(xi) Temporary Non-Publication of FOMC Target Rate

If neither the administrator nor authorised distributors provide or publish the FOMC Target Rate and an FOMC Target Rate Index Cessation Effective Date has not occurred, then in respect of any day for which the FOMC Target Rate is required, references to the FOMC Target Rate will be deemed to be references to the last provided or published FOMC Target Rate.

(xii) Definitions

For these purposes:

"**Fed Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for SOFR by the Federal Reserve Board or the Federal Reserve Bank of New York, or by a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York for the purpose of recommending a replacement for SOFR (which rate may be produced by the Federal Reserve Bank of New York or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor;

"**Fed Recommended Rate Fixing Day**" means, in respect of the Fed Recommended Rate and a Reset Date, the publication day specified by the administrator of the Fed Recommended Rate for the Fed Recommended Rate in its benchmark methodology;

"**Fed Recommended Rate Index Cessation Effective Date**" means, in respect of the Fed Recommended Rate and a Fed Recommended Rate Index Cessation Event, the first date on which the Fed Recommended Rate would ordinarily have been provided and is no longer provided;

"**Fed Recommended Rate Index Cessation Event**" means, in respect of the Fed Recommended Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the Fed Recommended Rate announcing that it has ceased or will cease to provide the Fed Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Fed Recommended Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the Fed Recommended Rate, the central bank for the currency of the Fed Recommended Rate, an insolvency official with jurisdiction over the administrator of the Fed Recommended Rate, a resolution authority with jurisdiction over the administrator of the Fed Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Fed Recommended Rate, which states that the administrator of the Fed Recommended Rate has ceased or will cease to provide the Fed Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Fed Recommended Rate;

"**FOMC Target Rate**" means the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's Website or, if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target

range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, in accordance with the method set forth in these Conditions);

"**FOMC Target Rate Index Cessation Effective Date**" means, in respect of the FOMC Target Rate and an FOMC Target Rate Index Cessation Event, the first date on which the FOMC Target Rate would ordinarily have been provided and is no longer provided;

"**FOMC Target Rate Index Cessation Event**" means, in respect of the FOMC Target Rate:

(A) a public statement or publication of information by or on behalf of the administrator of the FOMC Target Rate announcing that it has ceased or will cease to provide the FOMC Target Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the FOMC Target Rate; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the FOMC Target Rate, the central bank for the currency of the FOMC Target Rate, an insolvency official with jurisdiction over the administrator of the FOMC Target Rate, a resolution authority with jurisdiction over the administrator of the FOMC Target Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the FOMC Target Rate, which states that the administrator of the FOMC Target Rate has ceased or will cease to provide the FOMC Target Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the FOMC Target Rate;

"**OBFR**" means the Overnight Bank Funding Rate, as provided by the Federal Reserve Bank of New York (or a successor administrator);

"**OBFR Fixing Day**" means, in respect of OBFR and a Reset Date, the New York City Banking Day immediately following that day (or any amended publication day specified by the administrator of OBFR for OBFR in its benchmark methodology);

"**OBFR Index Cessation Effective Date**" means, in respect of OBFR and an OBFR Index Cessation Event, the first date on which OBFR would ordinarily have been provided and is no longer provided;

"**OBFR Index Cessation Event**" means, in respect of OBFR:

(A) a public statement or publication of information by or on behalf of the administrator of OBFR announcing that it has ceased or will cease to provide OBFR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide OBFR; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of OBFR, the central bank for the currency of OBFR, an insolvency official with jurisdiction over the administrator of OBFR, a resolution authority with jurisdiction over the administrator of OBFR or a court or an entity with similar

insolvency or resolution authority over the administrator of OBFR, which states that the administrator of OBFR has ceased or will cease to provide OBFR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide OBFR;

"**SOFR**" means the Secured Overnight Financing Rate (SOFR) administered by the Federal Reserve Bank of New York (or any successor administrator);

"**SOFR Index Cessation Effective Date**" means, in respect of SOFR and a SOFR Index Cessation Event, the first date on which SOFR would ordinarily have been provided and is no longer provided; and

"**SOFR Index Cessation Event**" means, in respect of SOFR:

(A) a public statement or publication of information by or on behalf of the administrator of SOFR announcing that it has ceased or will cease to provide SOFR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SOFR; or

(B) a public statement or publication of information by the regulatory supervisor for the administrator of SOFR, the central bank for the currency of SOFR, an insolvency official with jurisdiction over the administrator of SOFR, a resolution authority with jurisdiction over the administrator of SOFR or a court or an entity with similar insolvency or resolution authority over the administrator of SOFR, which states that the administrator of SOFR has ceased or will cease to provide SOFR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide SOFR.

"**Valuation Period**" and/or "**Hedge Period**" means, where applicable, the period specified in the Issue Terms.

"**Value of the Basket**" means, subject to adjustments, the value of the Basket on the Final Fixing Date, considering the Conversion Ratio and the Weight, as determined by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion.

"**Warrants**" means Call Warrants and Put Warrants, as specified in the General Condition 30.1 (Warrants: American Style Warrants or European Style Warrants).

"**Weight**" means for each basket of Shares, Indices or any other Underlyings the weight specified for such Underlyings or Underlying Components, as specified in the Issue Terms.

2. Status

(i) *Ranking*

The Products constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Products shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer present and future, except for

those obligations that are mandatorily preferred by law, including by operation of bankruptcy, insolvency, liquidation or similar laws of general application.

(ii) *Recognition of the Write-down and Conversion Powers*

Subject to the application of the Luxembourg Resolution Law and the SRM Regulation, notwithstanding and to the exclusion of any other term of the Products or any other agreements, arrangements, or understanding between the Issuer and any holder, by its acquisition of the Product, each holder (which, for the purposes of this clause, includes each holder of a beneficial interest in the Products) acknowledges and accepts that any amount due arising under the Products may be subject to the exercise of any write-down or conversion powers in accordance with article 48 of the BRRD and article 49 of the Luxembourg Resolution Law, and acknowledges, accepts, consents and agrees to be bound by:

a. the effect of the exercise of any write-down or conversion powers by the relevant resolution authority, which exercise may include and result in any of the following, or some combination thereof:

   (A) the reduction or cancellation of all, or a portion, of the amounts due;

   (B) the conversion of all, or a portion, of the amounts due on the Products into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Products;

   (C) the cancellation of the Products; and

   (D) the amendment or alteration of the provisions of the Products by which the Products have no maturity or the amendment of the amount of interest payable on the Products, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

b. the variation of the terms of the Products, as deemed necessary by the relevant resolution authority, to give effect to the exercise of any write-down or conversion powers by the relevant resolution authority.

(iii) *No Security*

The Products are not secured or subject to a guarantee that enhances the seniority of the claims of their holders. For that purpose, no security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the holders of the Products.

3. Form

The Products will be issued in one of the following forms and will remain unchanged for the entire term. The Issue Terms specifies the applicable form:

3.1 Products in the form of Swiss law Intermediated Securities (*Bucheffekten*)

(i) A permanent global certificate (*Dauerglobalurkunde*) (the "**Permanent Global Certificate**") in bearer form which shall be deposited by the Paying Agent with the Clearing System. Once the Permanent Global Certificate is deposited with the Clearing System and entered into the accounts of one or more participants of the Clearing System, the Products will constitute intermediated securities (*Bucheffekten*) (the "**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Each Investor shall have a co-ownership in the range of its interest (*Miteigentumsanteil*) in the Global Certificate to the extent of his claim against the Issuer, provided that for so long as the Global Certificate remains deposited with the Clearing System the co-ownership interest shall be suspended and the Products may only be transferred by entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Investors shall at any time have the right to effect or demand the conversion of the Global Certificate into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (Wertpapiere) (the "Security Papers"), provided that this shall be without prejudice to the Issuer or the relevant Agent demanding that the printing of Security Papers is necessary or useful, as stated below.

The records of the Clearing System will determine the number of Products held through each participant in that Clearing System. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Investors, i.e. (i) the persons, other than intermediaries (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with an intermediary (*Verwahrungsstelle*) and (ii) the intermediaries (*Verwahrungsstellen*) holding the Products for their own account. For purposes of the exercise of the Products, the Paying Agent may assume that the bank or financial intermediary submitting the exercise notice to it has been duly authorised by the respective Investor for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent decide to do so, it will provide for the printing of definitive Security Papers without cost to the Investors. If printed, the Security Papers shall be executed by affixing thereon the facsimile signatures of two authorised officers of the Issuer. Upon delivery of the Security Papers, the Global Certificate will immediately be cancelled by the Paying Agent and the Security Papers shall be delivered to the Investors against cancellation of the Products in the Investors' securities accounts.

(ii) Uncertificated securities (*Wertrechte*) (the "**Uncertificated Securities**") are created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtebuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated

Securities will then be entered into the main register of the Clearing System (*Hauptregister*) (the "**Main Register of the Clearing System**"). Once the Uncertificated Securities are registered in the Main Register of the Clearing System and entered into the accounts of one or more participants of the Clearing System, the Products will constitute intermediated securities (Bucheffekten) (the "Intermediated Securities") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

So long as the Products remain registered with the Clearing System, the Products may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., by entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Investors shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global certificate (*Globalurkunde*) or definitive Security Papers.

The records of the Clearing System will determine the number of Products held through each participant in the Clearing System. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Investors, i.e. (i) the persons, other than intermediaries (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with an intermediary (*Verwahrungsstelle*) and (ii) the intermediaries (*Verwahrungsstellen*) holding the Products for their own account. For purposes of the exercise of the Products the Paying Agent may assume that the bank or financial intermediary submitting the exercise notice to it has been duly authorised by the respective Investor for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent decide to do so, it shall provide for the printing of definitive Security Papers without cost to the Investors. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Investors against cancellation of the Products in the Investors‘ securities accounts.

So long as the Products remain registered with the Issuer's or the Paying Agent's internal or other accounts, the Products may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., by entry of the transferred Products in a securities account of the transferee with the Issuer or the Paying Agent respectively.

3.2 **Products in the form of Euroclear/Clearstream Securities**

Euroclear/Clearstream Securities ("**Euroclear/Clearstream Securities**") are Products specified as such in the Issue Terms and will be issued in bearer form. Euroclear/Clearstream Securities will initially be issued in global form (the "**Global Euroclear/Clearstream Securities**" and the global certificate the "**Global Euroclear/Clearstream Security**"), and may only be exchanged for securities in definitive form (the "**Definitive Euroclear/Clearstream Securities**") upon an Euroclear/Clearstream Security Exchange Event occurring, and in each case in accordance with the

terms of the relevant Global Euroclear/Clearstream Security. No Investor will be entitled to request its Euroclear/Clearstream Securities to be exchanged for securities in definitive form for any reason other than on the occurrence of an Euroclear/Clearstream Security Exchange Event.

The Euroclear/Clearstream Securities may be issued as Luxembourg Law Products or as Swiss Law Products, each as specified in the Issue Terms. Where the Euroclear/Clearstream Securities are issued as:

(i) Luxembourg Law Products, the Conditions of such securities, their issuance and transfer as well as title to, and payments and deliveries in respect of, such securities shall be governed by Luxembourg law; and

(ii) Swiss Law Products, the Conditions of such securities shall be governed by Swiss law, but the form of, title in and transfer of such Products shall be subject to Luxemboug law.

The Global Euroclear/Clearstream Security may be delivered on or prior to the original issue date of the Product to a Common Depositary for the Clearing System. The Clearing System will then credit each subscriber with an aggregate nominal amount or aggregate number, as applicable, of the Global Euroclear/Clearstream Security equal to the nominal amount or number thereof for which it has subscribed and paid.

Upon the occurrence of an Euroclear/Clearstream Security Exchange Event on or after its Euroclear/Clearstream Security Exchange Date each Global Euroclear/Clearstream Security will be exchangeable, in whole but not in part, free of charge, for Definitive Euroclear/Clearstream Securities.

An exchange of Global Euroclear/Clearstream Securities for Definitive Euroclear/Clearstream Securities shall only be made upon receipt by the Issuer of a certificate or certificates of non-U.S. beneficial ownership.

On or after any Exchange Date, the holder of a Global Euroclear/Clearstream Security may surrender it or, in the case of a partial exchange, present it for endorsement to or to the order of the relevant Agent and in exchange the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount or aggregate number, as applicable, of duly executed and authenticated Definitive Euroclear/Clearstream Securities.

3.3 Products in the form of LuxCSD Securities

LuxCSD Securities ("**LuxCSD Securities**") are Products specified as such in the Issue Terms and will be issued in bearer form. LuxCSD Securities will initially be issued in LuxCSD bearer global form (the **Global LuxCSD Securities** and the single global certificate, the "**Global LuxCSD Security**"), and may only be exchanged for securities in definitive form (the "**Definitive LuxCSD Securities**") upon an Exchange Event occurring, and in each case in accordance with the terms of the relevant Global LuxCSD Security. No Investor will be entitled to request its LuxCSD Securities to be exchanged for securities in definitive form for any reason other than on the occurrence of an Exchange Event.

The LuxCSD Securities are issued as Luxembourg Law Products and the Conditions of such securities, their issuance and transfer as well as title to, and payments and deliveries in respect of, such securities shall be governed by Luxembourg law.

The Global LuxCSD Security will be deposited on or prior to the original issue date of the Product with LuxCSD. LuxCSD will credit each subscriber of the LuxCSD Securities with an aggregate nominal amount or aggregate number, as applicable, of the Global LuxCSD Security equal to the nominal amount or number thereof for which it has subscribed and paid.

Upon the occurrence of an Exchange Event on or after its Exchange Date, each Global LuxCSD Security will be exchangeable, in whole but not in part, free of charge, for Definitive LuxCSD Securities.

An exchange of Global LuxCSD Securities for Definitive LuxCSD Securities shall only be made upon receipt by the Issuer of a certificate or certificates of non-U.S. beneficial ownership.

On or after any Exchange Date, the holder of a Global LuxCSD Security may surrender it or, in the case of a partial exchange, present it for endorsement to or to the order of the relevant Agent and in exchange the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount or aggregate number, as applicable, of duly executed and authenticated Definitive LuxCSD Securities.

3.4 Products in the form of Dematerialised Securities

If the relevant Issue Terms specify that the Products shall be issued as Dematerialised Securities, the Products will be issued in dematerialised form under and in accordance with the 2013 Law. Dematerialised Securities must be registered at all times in the Issuer's securities issuance account (*compte d'émission*) held by the Issuer with the sole settlement organisation (*organisme de liquidation*). The Issuer's securities issuance account will mention the securities identification elements, the issued amount as well as any subsequent amendments thereto. The Issuer has appointed LuxCSD as the sole settlement organisation for the Dematerialised Securities, whereby LuxCSD will accept the Dematerialised Securities in the LuxCSD Securities Settlement System it operates.

4. Transfer of Products

4.1 Products in the form of Intermediated Securities

Transactions in, including transfer of, the Products may only be effected in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., through the relevant Clearing System in or through which the Products are held and are to be held and/or through the relevant Securities Account Holder. Title will pass upon registration of the transfer into the books of the relevant Clearing System and/or of the relevant Securities Account Holder.

4.2 Products in the form of Euroclear/Clearstream Securities

Transactions in, including transfer of, the Products that are issued as Euroclear/Clearstream Securities may only be effected through the Clearing System in which the Products to be transferred are held and only in accordance with the Relevant Rules. Title will pass upon registration of the transfer in the books of Euroclear or Clearstream as applicable.

4.3 Products in the form of LuxCSD Securities

Transactions in, including transfer of, the Products that are issued as LuxCSD Securities may only be effected through LuxCSD and only in accordance with the LuxCSD Rules. Title will pass upon registration of the transfer in the books of LuxCSD.

4.4 Products in the form of Dematerialised Securities

Dematerialised Securities are represented by a book-entry in a securities account (*compte-titres*) in accordance with the 2013 Law as well as the 2001 Law (or such other laws other than Luxembourg law, which may be applicable to the relevant securities account kept by an account keeper in which the Dematerialised Securities a subscriber holds such Dematerialised Securities).

Ownership and transfer of title to Dematerialised Securities shall be evidenced by means of book-entries in the securities account either at the level of LuxCSD (acting as settlement organisation) or at the level of the relevant settlement systems (having a direct or indirect link with LuxCSD) or any account keepers holding directly or indirectly through such settlement systems.

The account keepers shall keep the Dematerialised Securities they have on behalf of third parties (such as the Investors) or for their own account on securities accounts opened directly or indirectly with LuxCSD in its capacity as settlement organisation.

5. Issue Size, Calculations and publication

5.1 Issue Size

The Products are issued in the Issue Size specified in the Issue Terms. The Issuer reserves the right to reopen (the "**Reopening**") and increase the Issue Size at any time and without prior consultation or permission of the Investors through the issuance of further Products which will be fungible with the relevant Products (i.e. identical in respect of the Issue Terms, and security number).

At the time of subscribing to a Reopening, a subscriber shall pay the Issuer an amount equal to the interest accrued during the period from the Coupon Payment Date immediately preceding the date of the Reopening or, if the Reopening is effected prior to the first Coupon Payment Date, the Issue Date, to the date of such Reopening on each Product it has subscribed to.

5.2 Rounding

For the purposes of any calculations required pursuant to the Conditions, unless otherwise specified in the Issue Terms or in the Conditions, (a) all currency amounts that fall due and payable shall be rounded to the nearest Sub-Unit of such currency (with half a Sub-Unit being rounded up), save in the case of Japanese yen, which shall be rounded to the nearest Japanese yen (with half a Unit being rounded up); (b) all values resulting from such calculations shall be rounded to the nearest four decimal places (with 0.00005 being rounded up to 0.0001); (c) all percentages resulting from such calculations shall be rounded as specified in the relevant Issue Terms; and (d) all levels of Underlying and all calculations relating to the levels of Underlying shall be rounded to the decimal unit specified in the Initial Fixing Level for such Underlying. For these purposes, "**Sub-Unit**" means a fraction of the lowest amount of such currency that is available as legal tender in the country of such currency. "**Unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

Notwithstanding the foregoing, if the relevant Issue Terms specify "Other Rounding Convention" is applicable to any relevant amount, percentage or value as specified in the relevant Issue Terms, such amount, percentage or value shall be rounded to the nearest such sub-unit of currency (with halves being rounded up or down) or Decimal Place, as is specified in the relevant Issue Terms.

5.3 Determination and publication of interest rates, Interest Amounts and amounts in respect of settlement

As soon as practicable on such date as the Paying Agent or, as applicable, the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation in respect of or in connection with any Product, such Agent shall determine such rate, obtain any required quotation or make such determination or calculation, as the case may be, and cause the relevant payment amount to be notified to the Issuer, each of the Agents, any other agent in respect of the Products that is to make a payment, delivery or further calculation or determination upon receipt of such information and, if the Products are listed and the rules of the Exchange or other relevant authority and the rules thereof so require, to such Exchange or relevant authority, as soon as possible after their determination.

5.4 Business Day Convention

If any date specified to be subject to adjustment in accordance with a Business Day Convention, the convention for adjusting such date if it would otherwise fall on a day that is not a Business Day and where in each case the Issue Terms specifies Business Day Convention as:

a. 'Following', such date shall be postponed to the next day that is a Business Day;
b. 'Modified Following', such date shall be postponed to the next day that is a Business Day unless it would fall in the next calendar month, in which case such date shall be brought forward to the immediately preceding Business Day;
c. 'Nearest', such date shall be brought forward to the first preceding day that is a Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and shall be postponed to the first following day that is a Business Day if the relevant date otherwise falls on a Sunday or a Monday;
d. 'Preceding', such date shall be brought forward to the immediately preceding Business Day;
e. 'Modified Preceding', such date shall be brought forward to the immediately preceding Business Day unless it would fall in the previous calendar month, in which case such date shall be postponed to the immediately following Business Day; or
f. 'No Adjustment' such date shall not be adjusted.

5.5 Floating Rate Coupon

(a) ***Application***: This General Condition 5.5 (Floating Rate Coupon) is applicable to the Products only if the Issue Terms specify that Floating Rate Coupon Provisions shall apply.

(b) ***Accrual of interest***: The Products bear interest from, and including, the Coupon Accrual Start Date at the rate of interest payable in arrears on each Coupon Payment Date, subject as provided in General Condition 6 (Payment and Delivery). Each Product will cease to bear interest on the Final Coupon Period End Date. If payment of the Redemption Amount is due, but not made, the Product does not continue to bear interest in accordance with this General Condition 5.5 (Floating Rate Coupon).

(c) ***Screen Rate Determination***:

(i) If Screen Rate Determination is specified in the relevant Issue Terms as the manner in which the rate(s) of interest is/are to be determined, the rate of interest applicable to the Products for each Coupon Period will, subject to paragraph (d) below, be:

(A) the offered quotation; or

(B) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the relevant Screen Page as at either 11.00 a.m. (Brussels time in the case of EURIBOR) on the interest determination date in question 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 of such offered quotations.

(ii) If the relevant Screen Page is not available or if sub-paragraph (i)(A) applies and no such offered quotation appears on the relevant Screen Page or if sub-paragraph (i)(B) above applies and fewer than three such offered quotations appear on the relevant Screen Page, in each case as at the time specified above for reasons other than the occurrence of an Index Cessation Event (as defined in the ISDA 2020 IBOR Fallbacks Protocol), subject as provided below, the Issuer shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Issuer with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the interest determination date in question. If two or more of the Reference Banks provide the Issuer with such offered quotations, the rate of interest for such Coupon Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(iii) If paragraph (ii) above applies and the Issuer determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the rate of interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant interest determination date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant interest determination date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Issuer it is quoting to leading

banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the rate of interest cannot be determined in accordance with the foregoing provisions of this paragraph, the rate of interest shall be determined as at the last preceding interest determination date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Coupon Period from that which applied to the last preceding Coupon Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Coupon Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Coupon Period).

(d) ***Overnight Rates***: If an Overnight Rate is specified in the relevant Issue Terms, the rate of interest applicable to the Products for each Coupon Period will be the sum of the Margin and the relevant Compounded Rate.

(e) ***Compounding Method****:* Unless otherwise specified in the Issue Terms, "Compounding with Observation Period Shift" shall be deemed to be applicable to the relevant Product and, notwithstanding any terms of the Floating Rate Option to the contrary, the rate for a Reset Date will be the rate of return of a daily compound interest investment calculated in accordance with the formula below (where the reference rate for the calculation of interest is the relevant overnight rate in the Floating Rate Option specified in the Issue Terms) and the resulting percentage will be rounded, if necessary, in accordance with the method set out in General Condition 5.2 (Rounding), but to the nearest percentage point specified for the relevant Floating Rate Option (provided that if the Floating Rate Option does not specify this, rounding shall be as set out in General Condition 5.2 (Rounding)).

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{Benchmark Level}_i \times n_i}{\text{Day Count Basis}}\right)-1\right]\times\frac{\text{Day Count Basis}}{d}$$

where:

"**d_0**" is the number of Applicable Business Days in the Observation Period;

"**i**" is a series of whole numbers from 1 to d_0, each representing the relevant Applicable Business Day in chronological order from, and including, the first Applicable Business Day in the Observation Period;

"**Benchmark Level$_i$**" means, in respect of any Applicable Business Day$_i$, the rate determined in accordance with the Floating Rate Option as if such Applicable Business Day$_i$ were a Reset Date for the purpose of such Floating Rate Option;

"**n_i**" is the number of calendar days from, and including, the day "i" to, but excluding, the earlier of (a) the next Applicable Business Day, and (b) the Standard Observation Period End Date for the Observation Period;

"**Day Count Basis**" is, in respect of a Floating Rate Option, the denominator of the Day Count Fraction;

"d" is the number of calendar days in the Observation Period;

"**Observation Period**" means, for any Calculation Period, the period from, and including, the date "s" Observation Period Shift Business Days preceding the first calendar day of the Calculation Period (and the first Observation Period shall begin on and include the date "s" Observation Period Shift Business Days prior to the Effective Date) to, but excluding, the date "s" Observation Period Shift Business Days preceding the Period End Date at the end of the Calculation Period (or, in respect of the final Observation Period, to, but excluding, the date "s" Observation Period Shift Business Days preceding the Final Coupon Period End Date) (the "Standard Observation Period End Date");

"**Observation Period Shift Additional Business Day**" means a business day in the financial centers, if any, specified for such purpose in the Issue Terms;

"**Observation Period Shift Business Day**" means a day which is both an Applicable Business Day and an Observation Period Shift Additional Business Day;

"s" is:

(i) the number specified as the "Observation Period Shift" in the Issue Terms;

(ii) if a number is not specified for the purpose of the "Observation Period Shift" in the Issue Terms, the number (if any) specified as the "Observation Period Shift" for the relevant Floating Rate Option; or

(iii) if a number is not specified for the purpose of the "Observation Period Shift" in the Issue Terms or in respect of the relevant Floating Rate Option, five;

(f) ***Fallbacks for EURIBOR****:* Save as provided otherwise in these General Conditions or the Issue Terms, the terms specified in, or applicable pursuant to, the relevant sections of the Attachment to the ISDA 2020 IBOR Fallbacks Protocol, as published by ISDA, shall apply to the determination of the rate of interest applicable to the Products for each Coupon Period. For these purposes, (i) references in the Attachment to the ISDA 2020 IBOR Fallbacks Protocol to a "Protocol Covered Document" or a "Protocol Covered Confirmation" will be deemed to constitute references to the Products as documented under these General Conditions and the relevant Issue Terms and (ii) references in the Attachment to the ISDA 2020 IBOR Fallbacks Protocol to the "IBOR Fallbacks Supplement" will be deemed to have the meaning as defined in the ISDA 2020 IBOR Fallbacks Protocol. Any rate of interest determined on this basis shall be subject to a floor of 0%.

(g) ***Maximum or Minimum Rate of Interest***: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Issue Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(h) ***Calculation of Coupon Amount***: The Calculation Agent will, as soon as practicable after the time at which the rate of interest is to be determined in relation to each Coupon Period, calculate the Coupon Amount payable in respect of each Product for such Coupon Period. The Coupon Amount will be equal to the product of the rate of interest for such Coupon Period, the Calculation Amount and the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a "sub-unit" means, in the case of any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of Euro, means one cent.

(i) ***Calculation of other amounts***: If the relevant Issue Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Issue Terms.

(j) ***Publication***: The Calculation Agent will cause each rate of interest and Coupon Amount determined by it, together with the relevant Coupon Payment Date, Coupon Period and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer and the Paying Agents, and each stock exchange (if any) on which the Products are then listed as soon as practicable after such determination but (in the case of each rate of interest, Coupon Amount and Coupon Payment Date) in any event not later than the first day of the relevant Coupon Period. Notice thereof shall also promptly be given to the Investors. The Calculation Agent will be entitled to recalculate any Coupon Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Coupon Period.

(k) ***Notifications, etc.*:** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this General Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Investors and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

6. Payment and Delivery

6.1 Payments and Deliveries in respect of Products held through SIX SIS

Payments of principal, interest as well as deliveries in respect of Products held through SIX SIS shall be made, subject to applicable fiscal and other laws and regulations of the Clearing System, to the Clearing System or to its/their order for credit to the Securities Account Holder in accordance with the Clearing System. The Issuer and the Paying Agent shall be discharged by payment or delivery to, or to the order of, SIX SIS, subject to such order not becoming final for any reason caused by the Issuer or the Paying Agent.

6.2 Payments and Deliveries in respect of Global Euroclear/Clearstream Securities

(a) Payments and Deliveries

No payment or delivery falling due after the Exchange Date will be made on any Global Euroclear/Clearstream Securities unless exchange for an interest in a Global Euroclear/Clearstream Security or for Definitive Euroclear/Clearstream Securities is improperly withheld or refused.

All payments and deliveries in respect of Global Euroclear/Clearstream Securities will be made against and subject to presentation for endorsement and, if no further payment or delivery falls to be made in respect of the Global Euroclear/Clearstream Securities, surrender of that Global Euroclear/Clearstream Security to or to the order of the Paying Agent outside the United States.

(b) Relationship of Accountholders and Clearing Systems

Each of the persons shown in the records of the Clearing System as the Investor must look solely to the Clearing System for their share of each payment or delivery made by the Issuer to the bearer of such Global Euroclear/Clearstream Security. The obligations of the Issuer will be discharged by payment or delivery to the bearer of such Global Euroclear/Clearstream Security in respect of each amount so paid or delivered.

6.3 Payments and Deliveries in respect of Definitive Euroclear/Clearstream Securities

In respect of any Definitive Euroclear/Clearstream Security, payments of principal will be made against and subject to the presentation and surrender (or, in the case of part payment, endorsement) of the relevant Definitive Euroclear/Clearstream Security at the specified office of the Paying Agent outside the United States, by a cheque drawn in the currency in which payment is due, or by transfer to an account with a Custody Bank denominated in such currency, as applicable. Payments of interest will be made as set out above but against and subject to the presentation and surrender of the relevant Coupon. Deliveries of any Entitlement shall be made in the manner notified to Investors. Payments of interest shall only be made upon receipt by the Issuer of a certificate or certificates of non-U.S. beneficial ownership.

Upon the due date for redemption of any Definitive Euroclear/Clearstream Security, unmatured Coupons relating to such Product (whether or not attached) shall become void and no payment shall be made in respect of them. Where any Definitive Euroclear/Clearstream Security is presented for redemption without all unmatured Coupons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

6.4 Payments and Deliveries in respect of Global LuxCSD Securities

(a) Payments and Deliveries

No payment or delivery falling due after the Euroclear/Clearstream Security Exchange Date will be made on any Global LuxCSD Securities unless exchange for an interest in a Global LuxCSD Security or for Definitive LuxCSD Securities is improperly withheld or refused.

All payments and deliveries in respect of Global LuxCSD Securities will be made against and subject to presentation for endorsement and, if no further payment or delivery falls to be made in respect of the Global LuxCSD Securities, surrender of that Global LuxCSD Security to or to the order of the Paying Agent outside the United States.

(b) Relationship of Accountholders and LuxCSD

Each of the persons shown in the records of LuxCSD as the Investor must look solely to LuxCSD for their share of each payment or delivery made by the Issuer to the bearer of such Global LuxCSD Security. The obligations of the Issuer will be discharged by payment or delivery to the bearer of such Global LuxCSD Security in respect of each amount so paid or delivered.

6.5 Payments and Deliveries in respect of Definitive LuxCSD Securities

In respect of any Definitive LuxCSD Security, payments of principal will be made against and subject to the presentation and surrender (or, in the case of part payment, endorsement) of the relevant Definitive LuxCSD Security at the specified office of the Paying Agent outside the United States, by a cheque drawn in the currency in which payment is due, or by transfer to an account with a Custody Bank denominated in such currency, as applicable. Payments of interest will be made as set out

above but against and subject to the presentation and surrender of the relevant Coupon. Deliveries of any Entitlement shall be made in the manner notified to Investors. Payments of interest shall only be made upon receipt by the Issuer of a certificate or certificates of non-U.S. beneficial ownership.

Upon the due date for redemption of any Definitive LuxCSD Security, unmatured Coupons relating to such Product (whether or not attached) shall become void and no payment shall be made in respect of them. Where any Definitive LuxCSD Security is presented for redemption without all unmatured Coupons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

6.6 Payments in respect of Dematerialised Securities

In respect of Dematerialised Securities, payments of principal and interest shall be made by the Issuer (via its Paying Agent) to LuxCSD, acting as the sole settlement organisation under the 2013 Law. Payments of such distributions discharge the Issuer of its payment obligations under the Dematerialised Securities.

In accordance with article 16 of the 2013 Law, LuxCSD in its capacity as settlement organisation pays these distributions on the securities accounts of the account holders relevant in its books. This payment discharges the LuxCSD of its payment obligations.

6.7 Record Date for Payments of interest

Payments of interest in respect of Products shall be made to the Investors who are deemed to be the holders thereof on the Interest Record Date in respect of such payment of interest, provided that (a) such payment shall at all times be made in accordance with the laws and regulations of the Clearing System (and if there is any difference between this General Condition 6.7 (Record Date for Payments of interest) and the application of the Relevant Rules, the Relevant Rules shall apply) and (b) this General Condition 6.7 (Record Date for Payments of interest) shall not apply to any payment of interest if the Products are due to be redeemed on or around the scheduled payment date for such interest.

For the purposes of this General Condition 6.7 (Record Date for Payments of interest), "**Interest Record Date**" in respect of any payment of interest shall be either (as specified in the Issue Terms) (a) the number of Business Days specified in the Issue Terms prior to the scheduled payment date corresponding to the relevant interest amount, (b) the date as specified in the relevant Issue Terms or (c) if no such date is specified in the Issue Terms one Business Day preceding the respective scheduled payment date corresponding to the relevant interest amount.

6.8 Taxes, Settlement Expenses and conditions to settlement

Payment of principal and/or interest and any Delivery of Underlying shall be subject to deduction, or conditional upon payment by the relevant Investor(s), of any applicable Taxes and Settlement Expenses and any other amounts payable as specified in the Conditions, unless otherwise specified in the Issue Terms. The Issuer shall notify the Investors of (a) such applicable Taxes, Settlement Expenses and other amounts payable and (b) the manner in which such amounts shall be paid by the Investors.

6.9 Payments on Business Days

If the date on which any amount is payable is not (i) a Business Day and (ii) (A) in the case of Definitive Euroclear/Clearstream Securities and Definitive LuxCSD Securities only, a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and (B) in the case of Dematerialised Securities only, a day on which LuxCSD is open for business, then payment will not be made until the next succeeding day which is (i) a Business Day and (ii) (A) in the case of Definitive Euroclear/Clearstream Securities and Definitive LuxCSD Securities only, also a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation and (B) in the case of Dematerialised Securities only, a day on which LuxCSD is open for business, and the Investor thereof shall not be entitled to any further payment in respect of such delay.

7. Trading of the Products

The Minimum Trading Lot (or an integral multiple thereof) of Products for trading of such Products will be specified in the Issue Terms.

8. Transfer Restrictions

Unless otherwise specified in the Underlying Specific Conditions or the Issue Terms, no transfer restrictions shall apply.

9. Redemption and Settlement

9.1 Redemption

Unless previously redeemed, purchased and/or cancelled, each Product shall be redeemed by the Issuer on the Redemption Date at its Redemption Amount, or, if applicable, by Delivery of Underlying on the Delivery Date and any payments relating to fractions of Units of Underlying. In respect of Debt Instruments, Delivery of Underlying shall not apply.

9.2 Settlement by Delivery of Underlying

9.2.1 Delivery of Underlying

The following provisions apply to the Delivery of Underlying in respect of Products:

(i) The Issuer shall, subject to General Condition 9 (Redemption and Settlement), General Condition 5 (Issue Size, Calculations and publication) and General Condition 6 (Payment and Delivery), the General Conditions 30 (Style of Products) to 37 (Postponement of Final Fixing Date or Observation Date on the occurrence of an event which is not a Market Disruption Event) and the Underlying Specific Conditions, on any relevant Redemption Date, deliver (or procure delivery on its behalf) the units or amount, as the case may be, of Underlying in respect of each Product to such account in respect of Cleared Securities in the Clearing System in accordance with the rules of the Clearing System and, in respect of all other Products, such account as may be notified by the relevant Investor to the Issuer in the relevant instructions relating to the Delivery of Underlying at the risk and expense of the relevant Investor. If an Investor does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer (directly or acting through such person (including any of its Affiliates or the Paying Agent) as it may procure) and/or the Clearing System, if applicable,

to effect any required Delivery of Underlying, the due date for such delivery shall be postponed accordingly. The Issuer and the Clearing System, if applicable, shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used in this General Condition 9.2, "delivery" means, in relation to any Underlying, the carrying out of the steps required of the Issuer (or such person (including any of its Affiliates or the Paying Agent) as it may procure to make the relevant delivery on its behalf) in order to effect the transfer of the relevant units or amount, as the case may be, of Underlying and "deliver", "delivered" and "deliverable" shall be construed accordingly. The Issuer (or such person (including any of its Affiliates or the Paying Agent) as it may procure to make the relevant delivery on its behalf) shall not be responsible for any delay or failure in the Delivery of Underlying once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and the Issuer (or such person (including any of its Affiliates or the Paying Agent) as it may procure to make the relevant delivery on its behalf) shall have no responsibility for the lawfulness of the acquisition or transfer of the Underlying or any interest therein by any Investor or any other person.

(ii) No Investor will be entitled to receive dividends declared or paid in respect of any Underlying or to any other rights relating to or arising out of any such component of the Delivery of the Underlying if the record date for the relevant dividend or relevant right in respect of such components and units or amount, as the case may be, of Underlying falls before the relevant Redemption Date.

(iii) Any Delivery of Underlying shall be subject to the condition to settlement in General Condition 6.8 (Taxes, Settlement Expenses and conditions to settlement).

(iv) The Issuer will endeavour to deliver (or procure delivery on its behalf) the relevant units or amount, as the case may be, of Underlying to the Investor on the relevant Redemption Date. In the event that an Investor requests that delivery of the relevant units or amount, as the case may be, of Underlying made at a location or in a method that is different from that specified in the Conditions, the Issuer may (but is not obliged to) seek to deliver the relevant units or amount, as the case may be, of Underlying to such location and/or by such method, provided that no additional unreimbursed costs are incurred. The Issuer shall, subject as provided below, on the relevant Redemption Date, deliver (or procure delivery on its behalf) the Transfer Documentation relating to the relevant units or amount, as the case may be, of Underlying (or, in the case of an Underlying that is an equity unit, the Transfer Documentation in respect of such equity unit) to or to the order of the Investor or to such bank or broker as the Investor has specified in the relevant instructions relating to the Delivery of Underlying.

(v) All Entitlements will be delivered at the risk of the relevant Investor.

(vi) In case a Delivery of Underlying is due and (i) the Issuer does not hold and is unable, after using commercially reasonable efforts, to acquire the asset(s) necessary to fulfil the delivery obligations or (ii) the delivery of the Underlying is – as determined by the Issuer in its discretion – either from a legal, regulatory and/or Underlying's terms point of view (including, in particular, any reason to this effect lying within the sphere of the Investor, such as any applicable selling restrictions prohibiting the delivery of the Underlying to the Investor), or economically or actually impeded or not possible, the Issuer shall be entitled

to redeem the Products in total or partially by paying a corresponding cash amount, provided that such amount shall be calculated by the Calculation Agent in its discretion, taking into account the market value of the relevant Underlying and the relevant market conditions after deduction of the costs of the Issuer for unwinding any related underlying hedging arrangements, if any. The payment shall take place as soon as commercially possible in the Settlement Currency.

9.2.2 Liability

Redemption of the Products, payments by the Issuer (or such person (including any of its Affiliates) as it may procure to make the relevant payments on its behalf) and the Paying Agent and any Delivery of Underlying, in whole or in part, by or on behalf of the Issuer and/or the Paying Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at such time (including, without limitation, any relevant exchange control laws or regulations) and none of the Issuer, any of its Affiliates, the Clearing System or the Paying Agent shall incur any liability whatsoever if it is unable to effect any payments or deliveries contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices. None of the Issuer, any of its Affiliates or the Paying Agent shall under any circumstances be liable for any acts or defaults of the Clearing System in the performance of their respective duties in relation to the Products or, in relation to the Delivery of Underlying, the acts or defaults of any relevant Exchange.

10. Indicative amounts

The Issue Terms may specify an indicative amount, subject to a minimum amount and/or a maximum amount, or any combination of the foregoing, as applicable, in relation to any Specified Product Value which is not fixed or determined at the commencement of the Subscription Period. If so specified in the Issue Terms, references in these Conditions to such Specified Product Value shall be construed as the amount, level, percentage, price, rate or value (as applicable) determined based on market conditions by the Issuer on or around the end of the Subscription Period, and is expected to be the indicative amount specified in the Issue Terms (if so specified) but may be different from such indicative amount, and:

a. if a minimum amount is provided in the Issue Terms, the Specified Product Value will not be less than such minimum amount (but may be equal to such minimum amount); or
b. if a maximum amount is provided in the Issue Terms, the Specified Product Value will not be more than such maximum amount (but may be equal to such maximum amount); or
c. if both a minimum amount and a maximum amount is provided in the Issue Terms, the Specified Product Value will not be less than such minimum amount and will not be more than such maximum amount (but may be equal to either such minimum amount or such maximum amount).

Notice of the relevant Specified Product Value will be published prior to the Issue Date when such Specified Product Value is fixed or determined by the Issuer on or around the end of the Subscription Period and the relevant amount, level, percentage, price, rate or value specified in such notice will be deemed to be the Specified Product Value.

For these purposes, "**Specified Product Value"** means any amount, level, percentage, price, rate or value which is specified in the Conditions as the amount, level, percentage, price, rate or value (as applicable) to be provided in the Issue Terms (or phrases of similar import).

11. Effect of Adjustments

All determinations made by the Calculation Agent pursuant to the Conditions shall be conclusive and binding on the Investors, the Paying Agent and the Issuer, except in the case of manifest error.

12. Acceleration

Save as provided below, there are no events of default under the Products which could lead to an acceleration of the Products.

(i) *Liquidation*: If any order is made by any competent court or resolution passed for the Liquidation of the Issuer and such order is continuing, then any Products may, unless there has been a resolution to the contrary at a Masse Meeting (as defined in General Condition 15 below), by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the specified office of the Paying Agent, be declared immediately due and payable, whereupon the Unscheduled Early Redemption Amount of such Product together (if applicable) with accrued interest to the date of payment shall become immediately due and payable.

(ii) *Non-Payment*: If default is made in the payment of any interest or principal due in respect of the Products and such default continues for a period of seven days or more after the due date then any holder may ask the relevant authorities to institute Liquidation or reprieve from payment (sursis de paiement) proceedings in Luxembourg (but not elsewhere) in accordance with Part II of the Luxembourg Resolution Law in respect of the Issuer (together the "**Non-Payment Proceedings**"). Although the relevant authorities may take into account a request from a holder to institute the Non-Payment Proceedings, they are not in any way bound to do so following the receipt of such a request or on any other basis. In determining whether to institute any such Non-Payment Proceedings against the Issuer, the relevant authorities will act solely on the basis of their own discretion and in accordance with Luxembourg law. Without prejudice to such request from a holder as described in this General Condition 12 (Acceleration), a holder shall not be able to take proceedings for the Liquidation of the Issuer.

(iii) *Breach of Other Obligations*: To the extent permitted by applicable law and by these General Conditions, a holder may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Products (other than any payment obligation of the Issuer under or arising from the Products, including, without limitation, payment of any principal or interest); provided always that such holder shall not enforce, and shall not be entitled to enforce or otherwise claim, against the Issuer any judgment or other award given in such proceedings that requires the payment of money by the Issuer, whether by way of damages or otherwise, except by proving in the relevant Non-Payment Proceedings.

(iv) *Waiver*: The holders expressly unconditionally and irrevocably waive all rights of rescission under article 1184 of the Luxembourg Civil Code and under article 470-21 of the Luxembourg Company Law (as defined below in General Condition 15) and, subject to General Conditions 12 (Acceleration) (i), 12 (Acceleration) (ii) and 12 (Acceleration) (iii) above, of otherwise claiming early termination or early repayment of the Products in case of default by the Issuer under any of its obligations under the Products.

13. Waiver of Set-off or Counterclaim

Subject to applicable law, no holder may exercise, claim or plead any right of set-off (including legal set-off according to Article 1290 of the Luxembourg Civil Code), netting, compensation or retention

(including the right of a holder to rely on the exception of non-performance (*exception d'inexécution*)) in respect of any amount owed to it by the Issuer arising under, or in connection with, the Products and each holder shall, by virtue of its holding of any Product, be deemed to have waived all such rights of set-off, netting, compensation or retention. Notwithstanding the above, if any amounts due and payable to any holder by the Issuer in respect of, or arising under, the Products are discharged by set-off, such holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or the liquidator or administrator of the Issuer as the case may be) and, until such time as payment is made, shall hold an amount equal to such amount in a fiduciary (*fiduciaire*) capacity, or where applicable law permits, in trust for the Issuer (or the liquidator or administrator of the Issuer, as the case may be) and, accordingly, any such discharge shall be deemed not to have taken place.

14. Substitution and Variation

It is the intention of the Issuer that the Products shall be treated for regulatory purposes as MREL Eligible Instruments under the applicable MREL Regulations, provided that the relevant requirements for such status are met.

14.1 Substitution and Variation

If an MREL Eligibility Event, an Alignment Event or Tax Event occurs and is continuing, the Issuer may, at its option, substitute all (but not some only) of the relevant Products or vary the terms and conditions of all (but not some only) of the relevant Products, without any requirement for the consent or approval of the holders, so that they are substituted for, or varied to, become, or remain, Qualifying Products, subject to having given not less than 30 nor more than 60 days' notice to the holders in accordance with Condition General 19 and relevant Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation), and subject to obtaining Supervisory Permission, if required.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the holders can inspect or obtain copies of the new terms and conditions of the relevant Products. Such substitution or variation will be effected without any cost or charge to the holders.

Holders shall, by virtue of subscribing and/or purchasing and holding any relevant Products, expressly accept that they will be deemed to approve and accept the substitution or variation of the terms of the relevant Products and to grant to the Issuer full power and authority to take any action and/or to execute and deliver any document in the name and/or on behalf of the holders which is necessary or convenient to complete the substitution or variation of the terms of the relevant Products.

14.2 Definitions

In these General Conditions, the following defined terms shall have the meanings set out below:

An "**Alignment Event**" is deemed to have occurred if, following the adoption, modification or implementation of the applicable MREL Regulations, at any time after the Issue Date, the Issuer would be able to issue an MREL Eligible Instrument that contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from the provisions of the relevant Products.

"**MREL Eligibility Event**" means at any time, on or following the Issue Date, there is a change in the regulatory treatment of the relevant Products as a result of (i) a change of laws, (ii) new laws or regulations coming into effect or (iii) a change in the interpretation or administrative practice by the applicable regulator, that results in, or will result in, all or part of the outstanding principal amount of the relevant Products not qualifying in full as eligible for the purposes of the minimum requirement of eligible liabilities referred to in the MREL Regulations and relevant implementing legislation in Luxembourg (if applicable) of the Issuer.

"**Qualifying Products**" means, at any time, any securities issued directly by the Issuer that:

(i) contain terms which at such time result in such securities being eligible to count towards the fulfilment of the MREL requirement of the Issuer to at least the same extent as the relevant Notes, prior to the relevant substitution or variation;

(ii) carry the same rate of interest as the relevant Notes, prior to the relevant substitution or variation pursuant to this General Condition 14 (Substitution and Variation);

(iii) have the same denomination and aggregate outstanding principal amount as the relevant Products prior to the relevant substitution or variation pursuant to this General Condition 14 (Substitution and Variation);

(iv) have the same date of maturity and the same dates for payment of interest as the relevant Products, prior to the relevant substitution or variation pursuant to this General Condition 14 (Substitution and Variation);

(v) have at least the same ranking as the relevant Products;

(vi) are not, immediately following such substitution or variation, subject to an MREL Eligibility Event, an Alignment Event and/or a Tax Event;

(vii) have terms not otherwise materially less favourable to the holders than the terms of the relevant Products, as reasonably determined by the Issuer; and

(viii) are listed or admitted to trading on a recognised stock exchange (including, without limitation, a regulated market), as selected by the Issuer, if (A) the relevant Products, were listed or admitted to trading on a regulated market immediately prior to the relevant substitution or variation pursuant to this General Condition 14 or (B) the Products, were listed or admitted to trading on a recognised stock exchange other than a regulated market immediately prior to the relevant substitution or variation pursuant to this General Condition 14 (Substitution and Variation);

A "**Tax Event**" is deemed to have occurred if, as a result of a Change in Law, the Issuer is no longer entitled to claim a deduction in respect of any payments in respect of the relevant Products in computing its taxation liabilities or the amount of such deduction is materially reduced.

15. Meetings of holders

Holders will belong to a masse created, among other things, for the representation of their common interests pursuant to the provisions of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (the "**Luxembourg Company Law**"). The discussion below is based on the Luxembourg Company Law in effect on the Issue Date. Any subsequent amendments to the relevant provisions of the Luxembourg Company Law may amend or modify the discussion below. A general

meeting of the holders (the "**Masse Meeting**") may appoint and determine the powers of one or more representatives (the "**Representatives**"). Where Representatives have been appointed, holders may no longer individually exercise their rights against the Issuer. A Masse Meeting may be called at any time by the Representatives (if any) or the Board of Directors of the Issuer. The Representatives, provided an advance on expenses has been paid to them, or the Board of Directors must convene the Masse Meeting if called upon to do so by holders of Products representing 5 per cent. or more of the Products outstanding. All Masse Meetings shall be held at the place specified in the notice calling the meeting and such notice shall contain the agenda. The convening notices for Masse Meetings shall take the form of announcements filed with the register of commerce and companies and published in the central electronic platform of official publication for companies and associations (*Recueil électronique des sociétés et associations*) and in a Luxembourg newspaper at least fifteen days before the Masse Meeting. The convening notices shall be also communicated to the holders holding their Products under registered form at least eight days before the Masse Meeting, by post unless the addressees have individually agreed to receive the convening notices by way of another means of communication, and no evidence of compliance with such formality needs to be given. In case all the Products have been issued under registered form, convening notices for Masse Meetings may be made by registered letters only (or any other mean of communication individually accepted by a holder) that need to be received at least eight days prior to the Masse Meeting by the holders. All holders have the right to attend and vote at the Masse Meeting either personally or by proxy. The voting rights attached to the Notes are equal to the proportion of the principal amount of the outstanding Products represented by the principal amount of the Product or Products held by the relevant holder. A Masse Meeting may be called in the event of a merger involving the Issuer, may approve certain changes in the rights of the holders and may, generally, determine any measures designed to ensure the defence of interests or the exercise of the rights of the holders in accordance with the provisions of the Luxembourg Company Law. A Masse Meeting may deliberate validly without a quorum and by vote of a simple majority of holders attending or represented at such Masse Meeting on the appointment and revocation of the Representatives, the revocation of special representatives appointed by the Issuer and the approval of any measures of a conservatory nature in the general interests of the holders. On all other matters the Masse Meeting may deliberate validly on first convocation only if holders present or represented hold at least 50 per cent. of the Products then outstanding. On second convocation no quorum is required. Decisions at such meetings shall be taken by a majority of 66⅔ per cent. of the votes cast by holders attending such meetings or represented thereat. Votes cast shall not include votes attaching to Products in respect of which the holder has not taken part in the vote or has abstained or has returned a blank or invalid vote.

16. Agents

16.1 Paying Agent

The Paying Agent will be specified in the Issue Terms.

The Issuer reserves the right at any time to vary or terminate the order/mandate of the Paying Agent and to appoint another paying agent provided that (i), if Products are outstanding, it will maintain a Paying Agent (ii), if Products are listed on SIX and/or BX Swiss, there will be a Paying Agent with a specified office in Switzerland and (iii) no Paying Agent authorised to make any payment or delivery may be located in, or acting from, the United States or its possessions. Notice of any such

termination of appointment or new appointment and of any change in the specified office of the Paying Agent will be given to the Investors in accordance with General Condition 19 (Notices).

The Paying Agent is acting solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors.

Any determinations, decisions and calculations by the Paying Agent shall (save in the case of manifest error or wilful misconduct) be final and binding on the Issuer and the Investors.

The Issuer may at any time vary or terminate the appointment of the Paying Agent. It shall give notice to the Investors in accordance with General Condition 19 (Notices) of any modification in the appointment of the Paying Agent.

16.2 Calculation Agent

The Calculation Agent will be specified in the Issue Terms.

The Calculation Agent does not act as agent for the Investors and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Investors.

All calculations, decisions and determinations made by the Calculation Agent shall (save in the case of manifest error or wilful misconduct) be final and binding on the Issuer, the Paying Agent and the Investors.

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.

The Issuer may at any time vary or terminate the appointment of the Calculation Agent. It shall give notice to the Investors in accordance with General Condition 19 (Notices) of any modification in the appointment of the Calculation Agent.

16.3 Liability of Agents

Neither the Issuer, nor the Calculation Agent nor the Paying Agent shall have any responsibility for any errors or omissions caused by slight negligence in the calculation of any amount or with respect to any other determination or decisions required to be made by it under the Conditions.

17. Taxation/Tax Call

Each Investor shall assume and be responsible for any and all taxes, duties, fees and charges imposed on or levied against (or which could be imposed on or levied against) such Investor in any jurisdiction or by any governmental or regulatory authority.

The Issuer and the Paying Agent shall have the right, but not the duty, to withhold or deduct from any amounts otherwise payable to the Investor such amount as is necessary for the payment of such taxes, duties, fees and/or charges.

In any case where any governmental or regulatory authority imposes on the Issuer the obligation to pay any such taxes, duties, fees and/or charges the Investor shall promptly reimburse the Issuer.

The Issuer may redeem all Products in the event that any present or future taxes, duties or governmental charges would be imposed by any jurisdiction in which the Issuer is or becomes subject to tax as a result of any change in laws or regulations of the relevant jurisdiction (a "**Tax**

Call"). The Issuer shall as soon as possible notify the Investors of such redemption in accordance with General Condition 19 (Notices). For purposes of this General Condition 17 the Calculation Agent shall determine such Unscheduled Early Redemption Amount in its discretion. The amount representing the Unscheduled Early Redemption Amount will be paid to the Investors as soon as possible following the date of determination of the Unscheduled Early Redemption Amount.

18. Waiver of Rights

18.1 Waiver of Rights

Each holder expressly accepts that it will be deemed to have waived in insolvency and resolution scenarios applicable to the Issuer, by virtue of its subscription and/or purchase and/or holding of any Products, any and all claims, compensation and rights that it may otherwise have and whether arising under statute or as a matter of contract or otherwise if and to the extent that the amounts and/or other assets receivable by such holder as a result of claims, compensation and rights attributable to such Products would otherwise exceed the amounts and/or other assets which a holder of a Notional Security would be entitled to in such insolvency or, as applicable, resolution scenario (the "**Relevant Compensation Rights**").

If and to the extent that its waiver of Relevant Compensation Rights is not otherwise effective, by virtue of its subscription and/or purchase and/or holding of any Products, each holder shall, without the need for any further step or action on the part of any person, assign (and be treated as having assigned) irrevocably such Relevant Compensation Rights and any amounts and/or any certificates of entitlement or other assets attributable to such Relevant Compensation Rights (including any claim for damages) received or receivable by it to the relevant insolvency administrator or resolution authority or, if necessary, any Paying Agent (or such other person as is nominated by them for such purposes).

In addition, if and to the extent that such waiver and assignment are not otherwise effective and a holder receives any amounts in respect of such Relevant Compensation Rights from any person, such holder shall immediately (in the case of compensation received in cash) pay an amount in cash equal to such amount or (in the case of compensation received in the form of securities or other non-cash assets) deliver such assets (and, in either case, any certificate of entitlement relating thereto) so received to the relevant insolvency administrator or resolution authority or any Paying Agent (or their nominee, as the case may be) to be applied as they (or their nominee) sees fit and, until such time as such payment or delivery is made, shall (in the case of cash compensation) hold an amount equal to such amount in cash or (in the case of compensation in the form of securities or other non-cash assets) hold such a fiduciary capacity for the relevant insolvency administrator or resolution authority or, if necessary, any Paying Agent (or their nominee, as the case may be).

18.2 Definitions

In these General Conditions, the following defined terms shall have the meanings set out below:

"**Notional Security**" means, in respect of an Product, a notional security with the same principal amount as such Product and with the same rate of interest and accrued rights as such Product, being one of a notional class of securities in the Issuer, which class is in the Corresponding Amount and ranks pari passu to the Products and senior to the claims of holders of all subordinated obligations of the Issuer in issue.

"**Corresponding Amount**" means an aggregate principal amount equal to the aggregate principal amount of the Products, plus the aggregate principal amount of all other Notional Securities of the Issuer.

19. Notices

Notices to Investors relating to listed Products will be published in accordance with the regulations of the relevant Exchange applicable from time to time (being, as of the date hereof, for any Products listed on SIX Swiss Exchange, the SIX Exchange Regulation website https://www.ser-ag.com/de/resources/notifications-market-participants/official-notices.html#/, and for any Products listed on BX Swiss, the BX Swiss website https://www.bxswiss.com/#official-notices), on the Notification Website defined in the relevant Issue Terms on the Issuer's website www.bil.com (or any successor website) or, in any other form as permitted by the rules and regulations of the SIX Exchange Regulation and or BX Swiss, as applicable.

Notices to Investors relating to the Issuer will be published under the section "BIL Group" on the website www.bil.com (or any successor website).

Notices to Investors of non-listed Products may be published, as specified in the applicable Issue Terms, in newspapers, on a website or otherwise.

Notices to Investors relating to Dematerialised Securities, may be given by delivery of the relevant notice by the Issuer to LuxCSD for communication by the relevant clearing system, to entitled holders of the Dematerialised Securities, except that so long as the Dematerialised Securities are listed on any stock exchange and the rules of that exchange so require, notices shall also be published as required by the rules of that exchange.

20. Purchase by the Issuer and/or the Lead Manager

The Issuer and/or the Lead Manager or any of their affiliates may at any time purchase Products of any issue at any price in the open market or otherwise. Such Products may, at the option of the Issuer and/or Lead Manager or, as the case may be, the relevant affiliate, be held, resold or cancelled or otherwise dealt with.

21. Losses

In no event, except in the event of its gross negligence (*faute grave*) or wilful misconduct (*dol*), shall the Issuer have any liability for indirect, incidental, consequential or other damages (even if advised that such damages may have occurred). The Issuer is only liable for the amounts due under the Products, including interest until the date of payment on sums not paid when due or assets not delivered when such delivery is due.

22. Further Issues

The Issuer shall be at liberty without the consent of the Investors to create and issue further Products.

23. Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value or Materially Increased Other Costs

The Issuer shall have the right to terminate the Products (i) if the Underlying of the relevant Tranche of Products has ceased to be liquid, or (ii) if compliance by the Issuer with the obligations under the Products or any arrangements made to hedge the Issuer's obligations have become unlawful, impractical or impossible in whole or in part or if the Issuer is prevented from performing any of its obligations under the Products, in particular (a) as a result of compliance by the Issuer with any applicable present or future law, rule, regulation, judgement, order, or directive of any governmental, administrative, legislative or judicial authority or power or controlling authority or of the relevant competent market authorities, (b) as a result of any event caused by reason of force majeure or act of state, or (c) as a result of any change in financial, political or economic conditions or foreign exchange rates, or (iii) upon the occurrence of an Increased Cost of Hedging, or (iv) upon the occurrence of a Hedging Disruption, or (v) in case of Changed Secured Financing Ability , or (vi) in case the Issuer determines that the Product has a Negative Value, or (viii) upon the occurrence of Materially Increased Other Costs.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) that the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing its obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Hedging Disruption**" means that the Hedging Entity 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) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Borrowing Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.

"**Changed Secured Financing Ability**" means that the Hedging Entity would incur a material change (as compared with circumstances existing on the Issue Date) in its ability to acquire, hold, substitute or securely finance specific assets used for the partial or entire hedge of the Products as determined by the Hedging Entity. Secured Financing Ability comprises explicitly the Hedging Entity's inability to securely finance the hedge assets at economically viable terms.

"**Negative Value**" means, as determined by the Issuer, that the Product at any time has a Fair Market Value of zero or less then zero.

"**Materially Increased Other Costs**" means that the Issuer would, in connection with the Products, incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost as a result of (A) the introduction of, or any change in, or any change in the interpretation, administration or application of, any law or regulation, or (B) compliance with any law or regulation made after the Issue Date, or (C) any other types of events as

determined in the discretion of the Issuer leading to such increased costs, provided that such increased costs were not known to the Issuer or not reasonably capable of being quantified on the Issue Date.

In such circumstances, the Issuer may cancel/terminate the Products by providing notice to Investors in accordance with General Condition 19 (Notices).

If the Issuer terminates the Products the Issuer will, to the extent permitted by applicable law, except in the event of a termination due to a Negative Value, pay an amount to each Investor in respect of the Products, determined by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, in any case taking into account established market practice, if any, as representing the Fair Market Value of such Products immediately prior to such cancellation/termination (notwithstanding any illegality or impossibility) in a currency as determined by the Issuer. Payment will be made within a reasonable time in such manner as shall be notified to the Investors within a period of not more than thirty (30) Business Days in accordance with General Condition 19 (Notices). Instead of paying a cash amount corresponding to the Fair Market Value of a Product, the Issuer may – in respect of Swiss Law Products in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion – decide to deliver the Underlying of such Product.

In addition the Issuer has the right to terminate any Products at any time without paying any Fair Market Value or delivery of the Underlying and without providing notice to Investors in accordance with General Condition 19 (Notices) if there is no outstanding position of the relevant Product in the market in the sense that there is not any Investor in the Product other than the Issuer itself, as determined by the Calculation Agent.

24. Early Termination due to Events resulting from the Underlying

In addition and without prejudice to any other rights of early termination, if the Calculation Agent determines that one or several of the subsequently listed events has occurred in relation to the Underlying (each an "**Underlying Event**"), the Calculation Agent may (but is not obliged to) determine that the Issuer shall redeem the relevant Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the relevant Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of such terminated Products held by such Investor:

(a) If applicable, the Underlying has become capable of being declared due and payable or has become due and payable before it would have otherwise been due and payable as a result of, or on the basis of,

(i) the occurrence of a default, event of default, or other similar condition or event (described in the terms and conditions governing such Underlying as of the Initial Fixing Date, notwithstanding any change due to the adoption, after the Initial Fixing Date, of any change in any applicable law or regulation (including without limitation, any tax law)) or

(ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law

or regulation (including any action taken by any tax authority or brought in a court of competent jurisdiction),

including as result of a failure to make any required payment;

(b) the Underlying, to the extent redeemable, is redeemed below the par amount;

(c) any amount to be received by a holder of the Underlying thereunder would be reduced or paid in or exchanged into another form due to the adoption, after the issue date, of any change in any applicable law or regulation (including without limitation, any tax law) or due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by any tax authority or brought in a court of competent jurisdiction);

(d) an early repayment or redemption of the Underlying, if applicable, for any reason as described in the terms and conditions governing such Underlying;

(e) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including in cases where the issuer of the Underlying is allowed not to pay the interest or to make any change to the interest effectively paid under the Underlying with or without consent of the holders of such Underlying);

(f) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates (including in cases where the issuer of the Underlying is allowed not to pay the principal or to make any change to the principal effectively paid under the Underlying with or without consent of the holders of such Underlying);

(g) a change to one or more scheduled interest payment dates of the Underlying or the scheduled maturity date of the Underlying;

(h) a postponement or other deferral of a date or dates for either the payment or accrual of interest or the payment of principal or premium of the Underlying;

(i) any change in the currency or composition of any payment of interest or principal under the Underlying;

(j) any change in the ranking of the Underlying that causes the Underlying to be subordinated below the level of subordination the Underlying had on its date of issuance; or

(k) the issuer of the Underlying (or any guarantor or credit support provider thereof, if any) becomes subject to any bankruptcy, winding-up or insolvency proceedings, the appointment of an insolvency or similar officer or any analogous event or in any applicable jurisdiction or takes any action in furtherance of any of the foregoing.

The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices). The exercise of such right of redemption shall not be subject to the exercise of any right to adjust the terms of the Products, if any, prior to such redemption.

25. Severance and Modification of the Product Documentation including the General Terms and Conditions and the Issue Terms

25.1 Severance and Modification

In the event any term or condition is or becomes invalid, the validity of the remaining Terms and Conditions shall not be affected.

The Issuer shall be entitled to amend without the consent of the Investors any term or condition for the purpose of (a) correcting a manifest error, or (b) clarifying any uncertainty, or (c) resolving Hedging Disruptions as specified in General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value), or (d) correcting or supplementing the provisions herein in such manner as the Issuer deems necessary or desirable, provided that the Investor does not incur significant financial loss as a consequence thereof.

Furthermore, the Issuer shall at all times be entitled to amend any terms or conditions where, and to the extent that the amendment is necessitated as a consequence of legislation, decisions by courts of law, or decisions taken by governmental authorities.

25.2 Conditions to modification

No modification to these General Conditions pursuant to this General Condition 24 (Severance and Modification of the Product Documentation including the General Terms and Conditions and the Issue Terms) will be made or shall become effective:

(i) if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Products as eligible liabilities or loss absorbing capacity instruments for the purposes of the Applicable Banking Regulations; and

(ii) unless the Issuer has notified the Competent Authority of such modification or obtained Supervisory Permission, as the case may be, if such notice or Supervisory Permission is then required by the Applicable Banking Regulations.

26. Substitution

The Issuer may at any time, without the consent of the Investors, substitute for itself as obligor under the Products by any affiliate, branch, subsidiary or holding company of the Issuer (the "**New Issuer**") provided that the New Issuer shall assume all obligations that the Issuer owes to the Investors under or in relation to the Products.

If such substitution occurs, then any reference in the Product Documentation to the Issuer shall be construed as a reference to the New Issuer. Any substitution will be promptly notified to the Investors in accordance with General Condition 19 (Notices). In connection with any exercise by the Issuer of the right of substitution, the Issuer shall not be obliged to carry any consequences suffered by individual Investors as a result of the exercise of such right and, accordingly, no Investor shall be entitled to claim from the Issuer any indemnification or repayment in respect of any consequence.

27. Prescription

Claims for payment in respect of the Products shall be barred by the statute of limitations in accordance with the applicable Swiss law, unless made within 10 years from the relevant Redemption Date, and in relation to amounts of interest, unless made within 5 years from the relevant payment date. No claims shall be made thereafter.

28. Selling Restrictions

No action has been or will be taken by the Issuer or the Lead Manager that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action for that purpose is required. No offers, sales, resales, or deliveries of any Products or distribution of any offering material relating to any Products 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 the Issuer and/or the Lead Manager.

29. Conflict of Interests in connection with (a) discounts granted and payments made by the Issuer, the Lead Manager and/or any party appointed and (b) retrocessions received by the Issuer, the Lead Manager and/or any party appointed from Third Parties

a. Discounts/Payments by the Issuer, the Lead Manager and/or any party appointed

The Issuer, the Lead Manager and/or any party appointed may offer the Products to or via banks, securities firms and other financial intermediaries or institutions (each an "**FI**"), which may also include the Issuer and/or the Lead Manager (including their branches, internal business lines, subsidiaries and affiliated companies), (i) at a discount or (ii) at the Issue Price but transfer to FIs an amount a) of up to 2% p.a.[2] ("**Relevant Fees**"), b) of up to 3.5% p.a. ("**Significant Fees**"), c) of more than 3.5% p.a. ("**Substantial Fees**"), or d) as explicitly specified in the Issue Terms. With respect to a Product, for which the Issue Price is set out in percent, the amount may be calculated based on the Denomination of that Product. Alternatively, the amount will be calculated based on the Issue Price.

In addition, or alternatively, for certain services rendered and in order to increase quality and services relating to Products issued by the Issuer, the Issuer, the Lead Manager and/or any party appointed may pay recurring fees to distribution partners. To the extent such fees are charged to Investors, the individual rates will be specified in the Issue Terms.

In accordance with and within the limits of applicable legal requirements, if and to the extent such a discount, payment, or recurring fees, on the basis of statutory law, would have to be forwarded by the FI to the Investor, each Investor hereby takes note and unconditionally waives any right in respect of such discount, payment or recurring fees and accepts that the FI may retain and keep such discount, payment or recurring fees. Further information is available from the Issuer, the Lead Manager and/or the FI.

Investors shall note that such discounts, payments and recurring fees may cause potential conflicts of interests at the FI. The FI are obliged, however, to implement organisational measures designed to prevent that such potential conflicts of interest may adversely affect the interests of their clients.

Further information is available from the Issuer, the Lead Manager and/or the respective FI.

b. Retrocessions received by the Issuer, the Lead Manager and/or any party appointed

The Issuer, the Lead Manager and/or any party appointed may receive from third parties (including for the Lead Manager and/or any party appointed from the Issuer) remunerations, discounts, soft-

[2] For Open End Products the amount p.a. will be calculated based on a 10 year maturity.

commissions, and/or other indirect monetary advantages which may qualify as retrocessions or inducements ("**Retrocessions**").

The Issuer, the Lead Manager and/or any party appointed may receive such Retrocessions in particular from the issuers, managers or lead managers of financial instruments or from the administrator of indices that serve as underlying of the Products. . In accordance with and within the limits of applicable legal requirements, if and to the extent such Retrocessions, on the basis of statutory law or any other rules, would have to be credited to the Product or forwarded to Investors, the Investors hereby take note and unconditionally accept that the Issuer, the Lead Manager and/or any party appointed may retain and keep such Retrocessions without being credited to the Product or forwarded to the Investor. The Investors waive any compensation right to such Retrocessions. Investors should be aware that such Retrocessions may cause conflicts of interest at the Issuer and/or the Lead Manager and/or any party appointed and that there are organisational measures in place, designed to reduce the risk that such conflicts of interest adversely affect the interests of Investors.

30. Style of Products

30.1 Warrants: American Style Warrants or European Style Warrants

This General Condition 30.1 (Warrants: American Style Warrants or European Style Warrants) is applicable only in relation to Warrants.

The Issue Terms will indicate whether the Warrants are American Style Warrants or European Style Warrants, as described below:

American Style Warrants are exercisable on any Business Day during the Exercise Period in accordance with the procedure described in General Condition 31 (Call Warrants or Put Warrants) as supplemented by the provisions of the Issue Terms.

European Style Warrants are exercisable on the Expiration Date in accordance with the procedure described in General Condition 31 (Call Warrants or Put Warrants) as supplemented by the provisions of the Issue Terms.

30.2 Products other than Warrants: Fixed-end Products or Open-end Products

*This General Condition 30.2 (*Products other than Warrants: Fixed-end Products or Open-end Products*) is applicable only in relation to Products other than Warrants.*

The Issue Terms will indicate whether the Products are Fixed-end Products or Open-end Products, as described below:

Fixed-end Products expire on the Final Fixing Date specified as such in the Issue Terms, subject to any Market Disruption Events. Unless otherwise specified in the Issue Terms, they are automatically redeemed on the Redemption Date. Fixed-end Products are redeemable by the Issuer or the Investors on the date(s) prior to the Redemption Date specified in the Issue Terms or upon the occurrence of an event giving rise to an early termination according to these Conditions (the date the early termination is effective the "**Early Redemption Date(s)**") in accordance with General Condition (Termination and Redemption of Products and Exercise of Warrants) or, if any such Early Redemption Date or Redemption Date is not a Business Day, the next following date that is a Business Day.

Open-end Products have no fixed maturity. The Issuer has the right to call and the Investors have the right to exercise Open-end Products in accordance with the procedure described in General Condition (Termination and Redemption of Products and Exercise of Warrants) on any Early Redemption Date or Redemption Date, respectively, specified in the Issue Terms, or, if any such Early Redemption Date or Redemption Date is not a Business Day, the next following date that is a Business Day.

An Early Redemption Date may be a date that is later than the effective date of the Termination Announcement or Termination Notice. The Redemption Amount shall be an amount as specified in 28.9.2 (Determination and Notification of the Redemption Amount).

31. Call Warrants or Put Warrants

This General Condition 31 (Call Warrants or Put Warrants) is applicable only in relation to Warrants.

31.1 For Warrants related to a single Share

If the Underlying is a Share, the following shall apply:

The Issue Terms shall specify whether Call Warrants entitle the Investor upon exercise of the Warrants, to receive:

(i) the payment of the Redemption Amount (if the Redemption Amount is a positive amount);

(ii) at the choice of the Issuer, the payment of the Redemption Amount (if the Redemption Amount is a positive amount), or delivery of the number of Shares to which the Warrants being exercised by the Investor relate against payment of the Strike Level multiplied by the number of Shares to be delivered (according to the Conversion Ratio); or

(iii) in the case of American Style Warrants,

a. the payment of the Redemption Amount (if the Redemption Amount is a positive amount) if the Warrants are automatically exercised on the Expiration Date pursuant to General Condition 32.2 (Automatic Redemption and Automatic Exercise

b.), or the delivery of the number of Shares to which the Warrants being exercised by the Investor relate to against payment of the Strike Level multiplied by the number of Shares to be delivered (according to the Conversion Ratio) if the Warrants are exercised by the Investor during the Exercise Period.

The Issue Terms shall specify whether Put Warrants entitle the Investor upon exercise of the Warrants, to receive:

(i) the payment of the Redemption Amount (if the Redemption Amount is a positive amount);

(ii) at the choice of the Issuer, the payment of the Redemption Amount (if the Redemption Amount is a positive amount), or the payment of the Strike Level multiplied by the number of Shares to be delivered by the Investor (according to the Conversion Ratio) against delivery of the number of Shares to which the Warrants being exercised relate; or

(iii) in the case of American Style Warrants, the payment of the Redemption Amount (if the Redemption Amount is a positive amount) if the Warrants are automatically exercised on

the Expiration Date pursuant to General Condition 32.2 (Automatic Redemption and Automatic Exercise

(iv)), or the payment of the Strike Level multiplied by the number of Shares to be delivered by the Investor against delivery of the number of Shares which the Warrants being exercised relate to (according to the Conversion Ratio) if the Warrants are exercised by the Investor during the Exercise Period.

31.2 For Warrants related to any Underlying other than a single Share

If the Underlying is a Basket of Shares, an Index or a Basket of Indices or any other Underlying than a single Share or a derivative contract, the following shall apply unless Delivery of Underlying is selected pursuant to General Condition 32.6 (Delivery of Underlying or Cash Settlement at Issuer's choice):

(i) Call Warrants entitle the Investor upon exercise of the Warrants to receive the payment of the Redemption Amount (if the Redemption Amount is a positive amount).

(ii) Put Warrants entitle the Investor upon exercise of the Warrants to receive the payment of the Redemption Amount (if the Redemption Amount is a positive amount).

32. Termination and Redemption of Products and Exercise of Warrants

32.1 Number of Products redeemable and of Warrants Exercisable

32.1.1 Minimum number of Products redeemable and of Warrants exercisable

The minimum number of Products redeemable on any Redemption Date and of Warrants exercisable on any Exercise Date by any Investor will be specified in the Issue Terms (the "**Minimum Redemption Number**" or the "**Minimum Exercise Number**", respectively). Any Redemption Notice which purports to redeem Products or any Exercise Notice which purports to exercise Warrants in an amount less than the relevant Minimum Trading Lot or less than the relevant Minimum Exercise Number shall be null and void and of no effect.

32.1.2 Maximum number of Products redeemable (in the case of Open-end Products redeemable on an Early Redemption Date) and of Warrants exercisable (in the case of American Style Warrants)

If Products are to be redeemed early and the Paying Agent determines that the number of Products being redeemed on any Redemption Date exceeds the maximum redemption number, as specified in the Issue Terms (the "**Maximum Redemption Number**"), the Issuer may deem the Redemption Date for the first Maximum Redemption Number of such Products to be the Early Redemption Date and the Redemption Date for each additional Maximum Redemption Number of such Products to be each of the succeeding Business Days until all such Products have been attributed with a Redemption Date. If by following this rule the deemed Redemption Date for any such Products would fall after the Redemption Date, it shall fall on the Redemption Date.

In the case of American Style Warrants, if the Paying Agent determines that the number of Warrants being exercised on any Exercise Date other than the Expiration Date exceeds the maximum exercise number, as specified in the Issue Terms (the "**Maximum Exercise Number**"), the Issuer may deem the Exercise Date for the first Maximum Exercise Number of such Warrants to be such day and the Exercise Date for each additional Maximum Exercise Number of such Warrants to be each of the

succeeding Business Days until all such Warrants have been attributed with an Exercise Date, provided, however, that the last Exercise Date may not fall after the Expiration Date.

In any case where the number of Products redeemed on any day or of Warrants exercised on any Exercise Date exceeds the Maximum Redemption Number or the Maximum Exercise Number, the order of settlement shall be chronological, i.e. in the order of receipt of the relevant Redemption Notices or of the relevant Exercise Notices. The Paying Agent may, at any time, in its discretion, accept more Products, and the Issuer may, at any time, in its discretion, accept more Warrants, than the Maximum Redemption Number for redemption on any Redemption Date or the Maximum Exercise Number for exercise on any Exercise Date.

32.2 Automatic Redemption and Automatic Exercise

Unless previously redeemed, purchased and/or cancelled Fixed-end Products will be redeemed automatically on the Redemption Date and the settlement will be either Cash Settlement or Cash Settlement and/ or Delivery of Underlying at the option of the Issuer, as specified in the Issue Terms. In relation to Fixed-end Products which are automatically redeemed on the Redemption Date the Investor will not need to deliver a Redemption Notice or to take any other action, unless otherwise specified in the Issue Terms.

The Issue Terms may specify that Warrants are automatically exercised on the Expiration Date. In such a case:

(i) The Investor will not need to deliver an Exercise Notice or to take any other action, unless otherwise specified in the Issue Terms; and

(ii) Warrants shall automatically be exercised on the Expiration Date if the Redemption Amount is a positive amount.

Warrants automatically exercised only allow for the payment of the Redemption Amount.

32.3 Redemption Notice and Exercise Notice

If so specified in the Issue Terms, Products may be redeemed by an Investor at such time and on such day(s) as provided in General Condition 30.2 (Products other than Warrants: Fixed-end Products or Open-end Products) by delivery of a duly completed and signed Redemption Notice to the Paying Agent no later than 12:00 noon (Zurich time) on any Exchange Business Day during the Exercise Period, if any. Such Exchange Business Day and in case of Products on an Underlying listed in Asia the next following Exchange Business Day, will be treated as the Final Fixing Date, subject to any Market Disruption Event. If the Issue Terms do not specify the redemption right of the Investor, the Investor may not request the early redemption of the Products.

Except for automatically exercised Warrants, Warrants may only be exercised by an Investor on such day(s) as provided in General Condition 30.1 (Warrants: American Style Warrants or European Style Warrants) by delivery of a duly completed and signed Exercise Notice to the Paying Agent no later than 12:00 noon (Zurich time) on the relevant Exercise Date or Expiration Date, as the case may be (for an Underlying listed in Asia-Pacific the next following Business Day will be treated as the Exercise Date). If the duly completed Exercise Notice is received by the Paying Agent (i) on a Business Day after 12:00 noon (Zurich time) or (ii) on a day which is not a Business Day, then such Exercise Notice shall be deemed to have been received on the next following Business Day (for an Underlying listed

in Asia-Pacific the second following Business Day will apply). Such Business Day shall be the Exercise Date, subject to such Business Day being no later than the Expiration Date.

If the Issue Terms specifies that the Warrants will not be exercised automatically on the Expiration Date, any Warrant which has not been exercised, with respect to which an Exercise Notice has not been duly completed, delivered and received in the manner set out in this General Condition 32 (Termination and Redemption of Products and Exercise of Warrants) at or before 12:00 noon (Zurich time) on the Expiration Date shall become null and void.

Any Redemption Notice, or any Exercise Notice on an Exercise Date, received by the Paying Agent, which is not duly completed, shall be deemed null and void and a new duly completed Redemption Notice, or Exercise Notice, must be submitted if redemption of the Investor's Products, or exercise of the Warrants, is still desired.

An Early Redemption Date may be a date that is later than the effective date of the Termination Announcement or Termination Notice. The Redemption Amount shall be an amount as specified in 32.4 (Form of Redemption Notice and of Exercise Notice).

32.4 Form of Redemption Notice and of Exercise Notice

The Redemptio Notice and the Exercise Notice shall be in the form as may be agreed by the Issuer and the Paying Agent (and which is available at the specified office of the Paying Agent) and must:

a. specify the name and address of the Investor in respect of the Products being redeemed or of the Warrants being exercised;
b. specify the relevant name (incl. an identifier) and number of Products being redeemed or of Warrants being exercised by the Investor (which must not be less than the Minimum Trading Lot or less than the Minimum Exercise Number);
c. specify the number of the account at the relevant Clearing System to be debited with the Products being redeemed or the Warrants being exercised and irrevocably instruct, or, as the case may be, confirm that the Securities Account Holder has irrevocably instructed, the relevant Clearing System to debit the Securities Account Holder's account with the Products being redeemed or the Warrants being exercised and credit the account of the Paying Agent;
d. specify the account number at the relevant Clearing System to be credited with the Redemption Amount for the Products being redeemed or for the Warrants being exercised or, as the case may be, specify the account number with the relevant Clearing System to be credited with the relevant Underlyings or the delivery details for such Underlyings;
e. include an irrevocable undertaking to the Issuer and the Paying Agent, acting on the Issuer's behalf, to pay any applicable taxes and duties due by reason of redemption of the relevant Products or exercise of the relevant Warrants and an authority to the Issuer and the Paying Agent and, in case of unlisted Products or unlisted Warrants, the relevant Clearing System (if other than SIX SIS) to deduct an amount in respect thereof from any Redemption Amount due to such Investor or otherwise (on, or at any time after, the Redemption Date) and to debit a specified account of the Investor with an amount or amounts in respect thereof;
f. certify that the Investor is not a U.S. Person and that the Products are not being redeemed or the Warrants are not being exercised on behalf of a U.S. Person; and
g. specify other details as the relevant Issue Terms require.

32.5 Determination

Upon receipt of a Redemption Notice or an Exercise Notice from an Investor, the Paying Agent shall review each Redemption Notice or each Exercise Notice received in order to ensure that it has been duly completed and that all requirements for a valid redemption of the Products or for a valid exercise of the Warrants have been complied with.

If, in the determination of the Paying Agent:

a. the Redemption Notice or the Exercise Notice is incomplete or not in proper form; or
b. sufficient Products or sufficient Warrants or sufficient funds equal to any applicable taxes and duties and, in case of Warrants, the aggregate Strike Level (if any), are not available in the specified account(s) with the relevant Clearing System on the Redemption Date or on the Exercise Date;

the Redemption Notice or the Exercise Notice will be treated as null and void and a new duly completed Redemption Notice or Exercise Notice must be submitted if redemption of the Products or exercise of the Warrants is still desired by the Investor.

Any determination by the Paying Agent as to any of the matters set out in this General Condition 32.5 (Determination) shall, in the absence of manifest error or wilful misconduct, be conclusive and binding upon the Issuer, the Investor and the beneficial owner of the Products redeemed or of the Warrants exercised.

32.6 Delivery of Underlying or Cash Settlement at Issuer's choice

If the Issue Terms state that the Issuer can choose between Cash Settlement and Delivery of Underlying, the Issuer shall notify the Paying Agent of its choice not later than 10:00 a.m. (Zurich time) on the tenth Business Day prior to the Final Fixing Date or, in case of Warrants, not later than 10:00 a.m. (Zurich time) on the second Business Day following the Exercise Date, and the Paying Agent shall cause the same to be notified to the relevant Clearing System and/or the relevant Securities Account Holder accordingly.

32.7 Effect of Redemption Notice or Exercise Notice

Delivery of a Redemption Notice or an Exercise Notice shall constitute an irrevocable election and undertaking by the relevant Investor to redeem the Products or to exercise the Warrants in accordance with these General Terms and Conditions. In addition, and with respect to Call Warrants with delivery, the Investor undertakes to pay an amount equal to the Strike Level multiplied by the number of Underlyings to which the exercised Warrants relate (the "**Requisite Amount**") in order to receive delivery of the Underlying. With respect to Put Warrants with delivery, the Investor undertakes to deliver the Underlyings to which the exercised Warrants relate. The Investor also undertakes in any case to pay the taxes and duties to the Paying Agent (for the benefit of the Issuer), should the Issuer elect Delivery of the Underlying.

32.8 Termination of Products by the Issuer

32.8.1 Termination of Open-end Products

In the case of Open-end Products the Issuer may, on any (Early) Redemption Date as specified in any Termination Announcement or Termination Notice to the Investors published in accordance with General Condition 19 (Notices), call the Products by announcing the exercise of its termination right, as further specified in the Issue Terms, in accordance with General Condition 19 (Notices). If the

Issue Terms of an Open-end Product do not specify any (Early) Redemption Dates, the Issuer has the right to terminate such Open-end Product on any Business Day that is specified as Early Redemption Date in a Termination Announcement or Termination Notice.

32.8.2 Such Early Redemption Date may be a date that is later than the effective date of the Termination Announcement or Termination Notice. The Redemption Amount shall be an amount as specified in Termination of Open-end Products

In addition, the Issuer may terminate any Open-end Products in accordance with General Condition 17 (Taxation/Tax Call) and 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

32.8.3 Termination of Fixed-end Products

If applicable, the termination right of the Issuer for Fixed-end Products will be further specified in the Issue Terms and will be announced in accordance with General Condition 19 (Notices).

In addition, the Issuer may terminate any Fixed-end Products in accordance with General Conditions 17 (Taxation/Tax Call) and 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

32.9 Cash Settlement

32.9.1 Rounding or Conversion of Cash Settlement Amount

The Cash Settlement Amount shall be rounded in accordance with Condition 5.2 (Rounding). 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 Issue Terms.

32.9.2 Determination and Notification of the Redemption Amount

The Calculation Agent shall determine as soon as commercially possible, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, in any case taking into account established market practice, if any, the Redemption Amount (if any) to be paid in respect of the Products being redeemed and the Warrants being exercised, provided that such determination shall be made, in respect of Warrants, on the next Business Day following the Final Fixing Date..

32.9.3 Cash Settlement on the Redemption Date

Prior to the Redemption Date, the Issuer shall, in respect of the Products being redeemed and in respect of the Warrants being exercised, transfer (or cause to be transferred) the Redemption Amount to the Paying Agent for value on the Redemption Date. On the Redemption Date, the Paying Agent shall, subject to transfer of the Products to be redeemed and of the Warrants to be exercised and receipt of payment of the related taxes and duties, if any, cause an account of the Investor to be credited with such amount for value on the Redemption Date.

The Paying Agent shall be entitled to pay fractions of such amount prior to the Redemption Date but for value on the Redemption Date, unless provided otherwise in the Issue Terms.

32.10 Delivery of Underlying

32.10.1 Delivery of Underlying on the Redemption Date

In respect of Products which have been redeemed, or Call Warrants which have been exercised, and in respect of which Delivery of Underlying applies, either as specified in the Issue Terms or according to an election pursuant to General Condition 32.6 (Delivery of Underlying or Cash Settlement at Issuer's choice), the Issuer shall, prior to the Redemption Date, deliver or procure the delivery of the relevant number of Underlyings in respect of each Product or each Call Warrant to the Paying Agent for credit to the account of the Investor specified in the relevant Redemption Notice or Exercise Notice on the Redemption Date.

In case of Call Warrants, such Delivery of Underlying is subject to the payment of the Requisite Amount (plus any applicable taxes and duties, if any) from the relevant account of the Investor to the relevant account of the Paying Agent (in favour of the Issuer). The Issuer shall be entitled, if it so elects, to divide any Underlyings to be transferred into such number of lots of such size as it desires to facilitate its delivery obligations.

With respect to Put Warrants which have been exercised and with respect to which Delivery of Underlying applies, either as specified in the Issue Terms or according to an election pursuant to General Condition 32.6 (Delivery of Underlying or Cash Settlement at Issuer's choice), the Issuer shall, prior to the Redemption Date, transfer (or cause to be transferred) the Requisite Amount (less any applicable taxes and duties, if any) to the Paying Agent, for value on the Redemption Date. Such Delivery of Underlying is subject to the delivery of the relevant number of Underlyings with respect to each Warrant to the Paying Agent for credit to the account of the Issuer. On the Redemption Date the Paying Agent shall, subject to the relevant number of Underlyings having been transferred, cause an account of the Investor to be credited with such amount for value on the Redemption Date.

32.10.2 Delivery of Underlying Settlement Disruption

If a Delivery of Underlying Settlement Disruption has occurred and is continuing on the last day of the Delivery Period, the Issuer shall in respect of the Products redeemed and Warrants being exercised, instead of delivering the number of Underlyings to which these Products or these Warrants relate, pay as soon as commercially possible the Delivery of Underlying Settlement Disruption Amount and, for the calculation of the Delivery of Underlying Settlement Disruption Amount, the Final Fixing Date shall be determined by the Calculation Agent in its discretion (but in respect of (a) Swiss law Securities, taking into account established market practice, if any, and (b) Luxembourg law Securities, using commercially reasonable procedures to produce a commercially reasonable result).

32.10.3 Fractions of Underlyings

No fraction of Underlyings will be transferred by the Issuer. Instead payment to the Investor shall be made by the Issuer instead of such fraction of Underlying calculated by reference to the Redemption Amount.

Products redeemed or Warrants exercised at the same time by the same Investor will not be aggregated for the purpose of determining the number of Underlyings to which such Products or Warrants relate.

32.11 Cash Settlement or Delivery of Underlying prior to the Issue Date

In cases where before the Issue Date a stop loss, early redemption, knock-out or any other event has occurred that leads to an expiry of the Product, the Cash Settlement or Delivery of Underlying will in any case be on or after the Issue Date i.e. after the initial settlement has been processed successfully, but no later than five (5) Business Days following the Issue Date, subject to Market Disruption and Settlement Disruption provisions.

32.12 Dividends

*This General Condition 32.12 (*Dividends*) is applicable only in relation to Structured Products or Warrants related to a Share and to Products or Warrants related to a Basket of Shares.*

In case of (A) Products other than Warrants, provided that the Investor is entitled to any dividend payments relating to a Share, as stated in the Issue Terms, and in the event that the relevant Company has declared a dividend in respect of its Shares and the first date on which such Shares are quoted ex-dividend on the Exchange falls (a) in the case of Cash Settlement, on or prior to the relevant Final Fixing Date (except where the Final Fixing Date is the Redemption Date) or (b) in the case of Delivery of Underlying, on or prior to the Redemption Date, and, in case of (B) an exercised Warrant, when the relevant Company has declared a dividend in respect of its Shares and the first date on which such Shares are quoted ex-dividend on the Exchange after the relevant date of exercise, then, as the case may be:

(i) in case of Cash Settlement, the Issuer may, deciding in its discretion, increase the Redemption Amount related to the Share, in case such dividend has not been paid out separately, by a cash amount equal to such dividends attributable to the number of Shares to which such Products or Warrants relate (s) less the amount equal to the value of any related tax credit(s); or

(ii) in case of Delivery of Underlying for Products related to a Share, the Issuer may, deciding in its discretion, grant a cash amount to the Investor equal to such dividends attributable to the number of Shares to which such Products or Warrant relate(s) on the relevant Redemption Date less the amount equal to the value of any related tax credit(s).

All Shares delivered upon redemption of the Products or exercise of the Warrants shall be fully paid-up Shares entitling the holders thereof to participate fully in all dividends and other distributions paid or made on the Shares after the delivery thereof.

32.13 Redemption due to MREL Disqualification Event

Upon the occurrence of an MREL Disqualification Event, the Issuer may elect to redeem all, but not some only, of the Products at their principal amount (or at such other amount as may be specified in the applicable Issue Terms), together with any accrued and unpaid interest (if any) thereon to (but excluding) the date fixed for redemption by giving notice to the holders in accordance with General Condition 19 (Notices) and the relevant Paying Agent (which notice shall be irrevocable) at any time within the period of not less than 30 nor more than 45 days from the date such notice. The delay or failure by the Issuer to notify the holders shall not affect the validity and enforceability of such redemption.

32.14 Conditions to Redemption and Purchase

(i) Any redemption or purchase of the Products in accordance with General Conditions 17 (Taxation/Tax Call), 20 (Purchase by the Issuer and/or the Lead Manager) and 32

(Termination and Redemption of Products and Exercise of Warrants), respectively, is subject to such redemption or purchase being permitted by applicable MREL Regulations (and, in particular, in accordance with articles 77 and 78a of the CRR) and subject to the Issuer obtaining Supervisory Permission therefor, if required.

(ii) Prior to the publication of any notice of redemption pursuant to General Conditions 17 (Taxation/Tax Call) and 32.13 (Redemption due to MREL Disqualification Event), the Issuer shall deliver to the relevant Paying Agent a certificate signed by two Directors of the Issuer stating that the relevant circumstance giving rise to the right to redeem is satisfied.

33. Market Disruption

33.1 Market Disruption Event

Unless otherwise specified in the Issue Terms or the Underlying Specific Conditions, "**Market Disruption Event**" means, in respect of any Underlying, that the price or value relevant for the Product is not determined or announced or published or otherwise made available on a day relevant for the fixing, observation or valuation of the Underlying, such as the Initial Fixing Date, the Final Fixing Date or any Observation Date, as determined by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion.

33.2 Rights upon the occurrence of a Market Disruption Event

If the Calculation Agent, as regards Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, determines that a Market Disruption Event has occurred and is continuing on a day relevant for the fixing, observation or valuation of the Underlying or an Underlying Component, such as the Initial Fixing Date, the Final Fixing Date or any Observation Date, then the following shall apply:

(i) the respective day relevant for the fixing, observation or valuation of the Underlying shall be postponed until the next following Exchange Business Day where there is no such Market Disruption Event and the value for that Underlying or Underlying Component shall be determined for such date by the Calculation Agent, in respect of Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion, taking into account established market practice, if any; and

(ii) if the Market Disruption Event is continuing for 30 calendar days or more, the Issuer has the right, but not the obligation, to (a) amend the Conditions, as regards Swiss Law Products, in its duly exercised discretion (*billiges Ermessen*) and, in respect of Luxembourg Law Products, in its reasonable discretion (in any case taking into account established market practice, if any) for the purpose of removing and/or replacing the Underlying or Underlying Component that is affected by a Market Disruption Event, or (b) early terminate the Product and paying an amount to each Investor as determined in accordance with General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

In the case of Products relating to a Basket of any Underlyings other than those specified in Underlying Specific Conditions, the day relevant for the fixing, observation or valuation of the

Underlying, for example the Initial Fixing Date, the Final Fixing Date or any Observation Date, for each Underlying which is not affected by the Market Disruption Event shall be the originally designated Initial Fixing Date, Final Fixing Date or Observation Date, as the case may be.

Any action taken pursuant to this General Condition 33.2 will be promptly notified to the Investors in accordance with General Condition 19 (Notices).

34. Underlying Illiquidity

*This General Condition 34 (*Underlying Illiquidity*) applies to all Products irrespective of the Underlying.*

34.1 Underlying Illiquidity

For the purpose of this General Condition 34 (Underlying Illiquidity) and unless otherwise specified in the Issue Terms, "Underlying Illiquidity" means, in respect of the Underlying (but is not limited to) low or the absence of trading volume in the Underlying or the difficulty to buy and/or sell the Underlying in a short period of time without its price being affected.

34.2 Rights upon Underlying Illiquidity

34.2.1 Expanded bid/offer spreads

Upon Underlying Illiquidity the Issuer and/or Lead Manager or any third party appointed by the Issuer in its function as Market Maker shall be entitled to temporarily increase the spread between the bid and offer prices of the Product to account for such prevailing market conditions.

34.2.2 Modified Redemption Amount

If, due to Underlying Illiquidity and after using commercially reasonable efforts, the ability of the Hedging Entity to unwind or dispose of any hedging transaction(s) or asset(s) is limited or impaired and therefore such hedging transaction(s) or asset(s) has/have to be unwound or disposed of over a certain period of time, the relevant redemption amount may be calculated based on the average execution price (less transaction costs) as it was obtained on a best effort basis, as determined by the Calculation Agent, instead of using the originally pre-defined fixing or value of the Underlying (e.g. the official close of the respective Underlying) set out in the Issue Terms.

34.2.3 Postponed fixing and/or redemption

If, due to Underlying Illiquidity and after using commercially reasonable efforts, the Hedging Entity is unable or partially unable to acquire, unwind or dispose of any hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of any such hedging transaction(s) or asset(s) by the time originally stated in the Issue Terms, the determination (fixing) and/or the payment of the relevant redemption amount or the delivery of the Underlying shall be postponed accordingly by such number of days necessary to account for such prevailing market conditions. However, the postponed redemption will take place at the latest on the fifth (5^{th}) Business Day following the last day of the relevant period required by the Hedging Entity to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s) (subject to Market and Settlement Disruption Event provisions).

34.3 Underlying Illiquidity and Hedging Activity relating to the Underlying

The Hedging Entity shall execute its trading and hedging activities (including unwinding and termination of already executed hedging transaction) on a best-efforts basis, taking into account the possibility of unduly affecting the market and to consequently limiting its activities related to the Underlying. To minimise the market impact the Hedging Entity is entitled to suspend or to stop entirely its trading activities related to an Underlying.

35. Adjustments related to ISDA Definitions

*This General Condition 35 (*Adjustments related to ISDA Definitions*) is applicable in relation to Products that reference ISDA Definitions.*

The Issuer shall have the right, but not the obligation, to replace and amend the applicable ISDA Definitions, as defined in the relevant Issue Terms, by any later definitions or supplements published by ISDA.

36. Adjustments due to Cash Settlement Disruption, Payment Disruption or due to the Occurrence of a Foreign Exchange Disruption Event

36.1 Cash Settlement Disruption or Payment Disruption

Upon the occurrence of a Cash Settlement Disruption or Payment Disruption, which is continuing on the date the relevant payments of a Cash Settlement Amount or any such other amount is due, the Calculation Agent may adjust the terms of the Products affected by such Cash Settlement Disruption or Payment Disruption in a way that they are no longer affected by such Cash Settlement Disruption or Payment Disruption, e.g. by settling the payments affected by such Cash Settlement Disruption or Payment Disruption in a currency qualifying as legal tender at the place of performance of such payments, as determined by the Calculation Agent in its discretion, but taking into account any rate of conversion as it was applicable at the time the payments were due.

36.2 Foreign Exchange Disruption Event

If the Calculation Agent determines that on the Final Fixing Date, an Observation Date or any other date on which the FX Rate is determined in respect of a Product, an FX Disruption Event has occurred and is continuing, then the following shall apply:

(i) in respect of the Final Fixing Date or an Observation Date the date for the determination of the FX Rate in respect of such Final Fixing Date or an Observation Date shall be postponed until the first Business Day on which such FX Disruption Event ceases to exist (the "**FX Establishment Date**")and the relevant Final Fixing Date or the Observation Date in respect of the Products shall be postponed to the FX Establishment Date (the "**Postponed Final Fixing Date**" or the "**Postponed Observation Date**"), provided that, if the Final Fixing Date or the Observation Date has been postponed for more than 30 calendar days, the Calculation Agent shall have the right to either (a) adjust the terms of the Products in a way that they are no longer affected by an FX Disruption Event, as determined by the Calculation Agent in its discretion, or (b) early terminate the Product and paying an amount to each Investor as determined in accordance with General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value); and/or

(ii) in respect of any day other than the Final Fixing Date or an Observation Date, the Calculation Agent shall have the right to either (a) adjust the terms of the Products in a way that they are no longer affected by an FX Disruption Event, as determined by the Calculation Agent in its discretion, or (b) early terminate the Product and paying an amount to each Investor as determined in accordance with General Condition 23 (Termination and Cancellation due to Illegality, Impracticality, Illiquidity, Impossibility, Increased Cost of Hedging, Hedging Disruption, Changed Secured Financing Ability,Negative Value).

If an FX Disruption Event coincides with a Market Disruption Event a Settlement Disruption or a Payment Disruption, as the case may be, the consequences of the FX Disruption Event shall take effect only after such postponements or adjustments have been made as a result of such Market Disruption Event Settlement Disruption or Payment Disruption in accordance with the General Terms and Conditions.

37. Postponement of Final Fixing Date or Observation Date on the occurrence of an event which is not a Market Disruption Event

If the Final Fixing Date or an Observation Date is not an Exchange Business Day, upon an event which is not a Market Disruption Event, the Final Fixing Date or the Observation Date will be the Exchange Business Day immediately following the Final Fixing Date or the Observation Date (such day being the "**Postponed Final Fixing Date**" or the "**Postponed Observation Date**"). In the case of Products relating to multiple Underlyings or a basket of Underlyings, the Postponed Final Fixing Date or the Postponed Observation Date will be the next following Common Exchange Business Day. A Common Exchange Business Day (the "**Common Exchange Business Day**") is an Exchange Business Day on which the price or value of all Underlyings or Basket Components of the Product can be determined.

Notwithstanding the foregoing, as regards an Observation Date regarding a barrier observation for Products relating to multiple Underlyings or a basket of Underlyings, the Postponed Observation Date shall be the Exchange Business Day immediately following the Observation Date.

38. Governing Law and Jurisdiction

38.1 Swiss Law Products

Swiss Law Products, including these Conditions and any non-contractual obligations arising out of or in connection with the same, are governed by and shall be construed in accordance with Swiss law (without inclusion of conflicts of law rules), except that, for Swiss Law Products that are Euroclear/Clearstream Securities, the form of, title in and transfer of such Products will be governed by, and shall be construed in accordance with, Luxembourg law.

Notwithstanding the application of Swiss law, the provisions on the meeting of holders pursuant to General Condition 15 (Meetings of holders) shall prevail over any statutory provision in Swiss law in this respect.

The ordinary courts of the city of Zurich, Switzerland, the venue being Zurich 1, shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Swiss Law Products. This choice of jurisdiction shall apply to all disputes arising out of, or in connection with any Swiss Law Products, including, without limitation, any disputes regarding the issuance of, or the exercise of rights resulting from, Swiss Law Products or the cancellation and replacement of lost, stolen, defaced, mutilated or destroyed Swiss Law Products if issued in certificated form.

38.2 Luxembourg Law Products

Luxembourg Law Products, including these Conditions and any non-contractual obligations arising out of or in connection with the same, are governed by, and shall be construed in accordance with, Luxembourg law (without inclusion of conflicts of law rules), except that, for Luxembourg Law Products that are Intermediated Securities, the form of, title in and transfer of such Products will be governed by, and shall be construed in accordance with, Swiss law, it being noted that, in the case of Dematerialised Securities, these Products shall be governed entirely by Luxembourg law.

Unless otherwise specified in the applicable Issue Terms, in relation to any proceedings in connection with Luxembourg Law Products, the Issuer irrevocably submits to the exclusive jurisdiction of the courts of Luxembourg.

39. Recognition of Bail-in

Notwithstanding any other term of the Products or any other agreement, arrangement or understanding between the Issuer and the Investors, by its subscription and/or purchase and holding of the Products, each Investor (which for the purposes of this General Condition includes each holder of a beneficial interest in the Products) acknowledges, accepts, consents and agrees:

(i) to be bound by the effect of the exercise of the Bail-in Power by the Luxembourg Resolution Authority, which may include and result in any of the following, or some combination thereof:

(A) the reduction of all, or a portion, of the Amounts Due on a permanent basis;

(B) 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 Products, in which case the Investor agrees to accept in lieu of its rights under the Products any such shares, other securities or other obligations of the Issuer or another person;

(C) the cancellation of the Products or Amounts Due; or

(D) the amendment or alteration of the maturity of the Products or amendment of the Interest Amount payable on the Products, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) that the terms of the Products are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Luxembourg Resolution Authority.

Furthermore, each Investor further agrees that upon the taking of any Bail-In Power by the Luxembourg Resolution Authority, any liability of each Investor to the Issuer under these Conditions shall, as a matter of contract as between the parties, be reduced, converted, cancelled, or suspended (and that any term of these Conditions shall be varied) in such manner as it is expressed to be pursuant to such Bail-In Power.

In this General Condition the following defined terms shall have the meanings set out below:

"**Amounts Due**" means the principal amount, together with any accrued but unpaid interest, and any additional amounts, due on the Products. References to such amounts will include amounts that

have become due and payable, but which have not been paid, prior to the exercise of the Bail-in Power by the Luxembourg Resolution Authority.

"**Bail-in Power**" means any power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Luxembourg relating to (i) the transposition of the BRRD and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of certain entities as set out in such law, regulation, rules or requirements can be reduced, cancelled, suspended, modified, or converted into shares, other securities, or other obligations.

40. Recognition of Stay In Resolution

Notwithstanding any other term of the Products or any other agreement, arrangement or understanding between the Issuer and the Investors, by its subscription and/or purchase and holding of the Products, each Investor (which for the purposes of this General Condition includes each holder of a beneficial interest in the Products) acknowledges, accepts, consents and agrees:

(i) that the Products may be subject to the exercise of powers by the Luxembourg Resolution Authority to suspend or restrict rights and obligations arising under Articles 33a, 69, 70 and 71 of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law and that the conditions set out in Article 68 of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law will apply;

(ii) to be bound by the effect of an application of (aa) the suspension of any payment or delivery obligation in accordance with Article 33a of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law; (bb) the suspension of any payment or delivery obligation in accordance with Article 69 of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law; (cc) the restriction of enforcement of any security interest in accordance with Article 70 of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law; and (dd) the suspension of any termination right under the Products in accordance with Article 71 of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law;

(iii) to be bound by the provisions of Article 68 of BRRD as transposed by and/or as applicable under the Luxembourg Resolution Law; and

(iv) the terms outlined in this section (Stay In Resolution) are exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings between the Issuer and Investors relating to the subject matter of the Products.

References to the Stay Powers are those as transposed under the Luxembourg Resolution Law.

In this General Condition the following defined terms shall have the meanings set out below:

"**Stay Powers**" means the powers under Articles 33a, 69, 70 and 71 of BRRD and the conditions under Article 68 of BRRD.

VIII. UNDERLYING SPECIFIC CONDITIONS

The following Underlying Specific Conditions (the "**Underlying Specific Conditions**") are applicable to all Products issued under this Programme by the Issuer and shall be read jointly with the General Terms and Conditions. In case of inconsistencies between the General Conditions and the Underlying Specific Conditions, the Underlying Specific Conditions shall prevail and, in case of inconsistencies between Underlying Specific Conditions and the Issue Terms, the Issue Terms shall prevail.

To the extent a Product is covered by several Underlying Specific Conditions, they shall be applicable cumulatively, as determined by the Calculation Agent in its discretion.

To the extent an Underlying is not covered by any Underlying Specific Conditions, only the General Terms and Conditions shall apply, provided that a set of Underlying Specific Conditions that applies partly in respect of certain questions may be applied by the Calculation Agent by analogy, as determined by the Calculation Agent in its discretion.

1. Share Linked Conditions

*These Underlying Specific Conditions 1 (*Share Linked Conditions*) shall apply in respect of each Underlying which is a Share.*

1.1 Consequences of Disrupted Days

1.1.1 Single Share and Underlying Valuation Dates

Where the Products relate to a single Share (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Share on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Share in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 1.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 1.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

1.1.2 Basket of Underlyings and Underlying Valuation Dates - Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 1.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 1.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

1.1.3 Basket of Underlyings and Underlying Valuation Dates - Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Shares in the basket (each such Share an "**Affected Share**" in respect of such Underlying Valuation Date);

b. in respect of each Share in the basket that is not an Affected Share, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Share, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Share(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 1.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Share may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Share or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 1.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

1.2 Potential Adjustment Events and Extraordinary Events

1.2.1 Consequences of a Potential Adjustment Event

If the Calculation Agent determines that a Potential Adjustment Event has occurred in relation to a Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of such Share and, if so, the Issuer and/or Calculation Agent may (but is not obliged to):

a. make the corresponding adjustment(s), if appropriate, to the Conditions as the Calculation Agent determines appropriate to account for that diluting or concentrative effect; and
b. determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s); or
c. if the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 1.2.3) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 *(Notices)*, in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

1.2.2 Consequences of an Extraordinary Event

If the Calculation Agent determines that an Extraordinary Event has occurred in respect of a Share, the following will apply:

a. in respect of a Merger Event or Tender Offer, on or after the relevant Merger Date or Tender Offer Date (or such other date as the Calculation Agent deems relevant), as determined by the Calculation Agent, the Issuer and/or Calculation Agent may (A) make such adjustment to the Conditions as the Calculation Agent determines appropriate to account for the economic effect

on the Products of such Merger Event or Tender Offer (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Share traded thereon and (B) determine the effective date of that adjustment; or

b. in respect of a Nationalisation, Insolvency or Delisting, on or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting (or such other date as the Calculation Agent deems relevant) as determined by the Calculation Agent, the Issuer and/or Calculation Agent may (A) make such adjustment to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) to options on the Share traded thereon and (B) determine the effective date of that adjustment; or

c. if the Calculation Agent determines that no adjustment as described in (a) or (b) above (or in paragraph 1.2.3 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 *(*Notices*)*, in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 *(*Notices*)*.

1.2.3 Additional Adjustments in respect of a basket of Underlyings

Where the Products relate to a basket of Underlyings, if in relation to a Basket Component an adjustment (as described in paragraphs 1.2.1 or 1.2.2) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Share Linked Conditions in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to, either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or

b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement, as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

1.2.4 Additional Tax Adjustments for Products with A-Shares as Underlying or as Basket Component(s)

In case of Products with A-Shares as Underlying or as Basket Component(s), the Calculation Agent has the right but not the obligation to adjust the terms of the Product in its discretion (*billiges Ermessen*) and taking into account established market practice, if any, upon the occurrence of an A-Shares Tax Event. In particular the Calculation Agent has the right to modify the Redemption Amount or any other payments due under the Product by deduction of any taxes, duties, fees and charges imposed in relation to A-Shares.

1.2.5 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 1.2 (Potential Adjustment Events and Extraordinary Events), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 *(*Notices*)*, stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

1.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share). Upon making any such adjustment, the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 *(*Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken; or
b. if the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products each Investor itshall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 *(*Notices).

1.4 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is published by the Exchange on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of

the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 *(*Notices).

1.5 Definitions

The following terms and expressions shall have the following meanings in respect of Share Linked Products and each Underlying which is a Share:

"**A-Shares**" means any shares trading via the China Connect Service and defined as A-Share in the Issue Terms.

"**A-Shares Tax Event**" means any change to existing tax law or regulation applicable to A-Shares or any adoption of new applicable tax law or regulation applicable to A-Shares after the Initial Fixing Date of the Product.

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law, a Hedging Disruption, an Insolvency Filing, a Failure to Deliver and/or a Reduced Number of Shares, or as specified in the Issue Terms.

"**Basket Component**" means each Share composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Share or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**China Connect Business Day**" means any Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its scheduled closing time.

"**China Connect Service**" means the securities trading and clearing links programme developed by the Shanghai Stock Exchange ("SSE"), Shenzhen Stock Exchange ("SZSE"), The Stock Exchange of Hong Kong Limited ("SEHK"), China Securities Depository and Clearing Corporation Limited ("CSDCC") and Hong Kong Securities Clearing Company Limited ("HKSCC") for the establishment of mutual market access between SEHK, SSE and SZSE ("China Connect"), through which (i) SEHK and/or its Affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities.

"**China Market Disruption Event**" means in respect of the Share, the occurrence or existence of any of the following events as determined by the Calculation Agent:

(i) a China Connect Service disruption, which is (a) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service of a Share or of Share(s) constituting 20 percent or more of the Basket Components on the Related Exchange or (b) any event (other than a China Connect Service early closure pursuant to (ii) below) that disrupts or

impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of a Share or of Share(s) constituting 20 percent or more of the Basket Components through the China Connect Service and which, in either case (a) or (b), the Calculation Agent determines is material;

(ii) a China Connect Service early closure, which is the closure on any China Connect Business Day of the China Connect Service of a Share or of Share(s) constituting 20 percent or more of the Basket Components prior to its scheduled closing time unless such earlier closing time is announced by Stock Exchange of Hong Kong ("SEHK") or the Related Exchange, as the case may be, at least one hour prior to the actual closing time for order-routing through the China Connect Service on such China Connect Business Day;

(iii) a China Connect Service share disqualification, which means, on or after the Issue Date, the Share or Share(s) cease to be accepted as "China Connect Securities" (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service; or

(iv) China Connect Service termination, which means, on or after the Issue Date, the announcement by one or more of the Related Exchange, Stock Exchange of Hong Kong ("SEHK"), the China Securities Depository and Clearing Corporation ("CSDCC"), Hong Kong Securities Clearing Company ("HKSCC") or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, the Share(s) through the China Connect Service and the Calculation Agent determines that there is a reasonable likelihood that such suspension or termination is not, or will not be, temporary.

"**Closing Share Price**" means, on any day in respect of a Share, the official closing price of such Share on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Share Linked Conditions.

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

"**Disrupted Day**" means, in respect of a Share, 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 the China Connect Service fails to open for order-routing during its regular order-routing session, or on which a Market Disruption Event has occurred.

"**Early Closure**" means, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to such Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related 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) or 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, the exchange or the quotation system as specified in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original exchange or quotation system).

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

"**Exchange Disruption**" means, in respect of a Share, 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, such Share on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"**Extraordinary Event**" means a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

"**Failure to Deliver**" means, in respect of a Share, the failure of the Hedging Entity to deliver, when due, the relevant Shares, where such failure to deliver is due to illiquidity in the market for such Shares.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent or any of its affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Share in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Shares.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Insolvency**" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (a) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or

other similar official or (b) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"**Insolvency Filing**" means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered 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 Issuer shall not be deemed an Insolvency Filing.

"**Intraday Price**" means, in respect of a Share and any relevant time on any relevant day, the price at which such Share trades on the relevant Exchange at such time on such day, as determined by the Calculation Agent.

"**Level**" means, in respect of a Share and any relevant day, one of the following as specified in the Issue Terms in respect of such Share and such day or any other price as specified in the Issue Terms:

a. Closing Share Price;
b. Opening Share Price;
c. Intraday Price; or
d. Volume Weighted Average Price.

"**Market Disruption Event**" means the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent regards as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (c) an Early Closure or (d) an Illiquidity Event, or (e) a China Market Disruption Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

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

"**Merger Event**" means, in respect of a Share, any (a) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer 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 (a "Reverse Merger") in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Issue Terms provide for settlement by delivery, the Delivery Date.

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

"**Opening Share Price**" means, on any day in respect of a Share, the official opening share price of such Share on the Exchange on the relevant day, as determined by the Calculation Agent subject as provided in the Share Linked Conditions.

"**Potential Adjustment Event**" means any of the following:

a. a subdivision, consolidation or reclassification of the relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
b. a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer 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 (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
c. an amount per Share which the Calculation Agent determines should be characterised as an extraordinary dividend;
d. a call by the Share Issuer in respect of relevant Shares that are not fully paid;
e. a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
f. in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or similar 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 exercise of such rights; or
g. any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

"**Reduced Number of Shares**" means that at any time following an Extraordinary Event there remain a number of Shares of the Share Issuer less than the Relevant Number of Shares for the purposes of determining the redemption of the Products in accordance with the Conditions.

"**Related Exchange(s)** " means, in respect of a Share, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Calculation Agent in its discretion) on the overall market for futures or options contracts relating to such Share.

"**Relevant Number of Shares**" means the number of Shares of the Share Issuer as specified in the Issue Terms.

"**Relevant Underlying Price**" means, in respect of a Share, a price for such Share, as determined and published by the Exchange, which is relevant for the Products.

"**Scheduled Closing Time**" means, in respect of a Share, and 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 the regular trading session hours.

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

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Share**" means, subject to adjustment in accordance with the Share Linked Conditions, each share specified as such in the Issue Terms and related expressions shall be construed accordingly.

"**Share Issuer**" means, in respect of a Share, the issuer of such Share.

"**Tender Offer**" means, in respect of a Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, more than 10 per cent and less than 100 per cent of the outstanding voting shares of the Share Issuer, as determined by the Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"**Trading Disruption**" means, in respect of a Share, 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 (a) relating to such Share on such Exchange or (b) in futures or options contracts relating to such Share on any relevant Related Exchange.

"**Underlying Trading Day**" means, in respect of a Share, an Exchange Business Day for such Share.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Share, in each case, subject to adjustment in accordance with the Share Linked Conditions.

"**Valuation Time**" means, in respect of a Share, the time at which the official closing price of such Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Volume Weighted Average Price**" means, on any day in respect of a Share, an amount equal to the volume weighted average price for such Share as displayed on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Share Linked Conditions.

2. Participation Certificate Linked Conditions

The provisions of these Underlying Specific Conditions 2 (Participation Certificate Linked Conditions) shall apply to Participation Certificate Linked Products in respect of each Underlying which is a Participation Certificate.

2.1 Consequences of Disrupted Days

2.1.1 Single Participation Certificate and Underlying Valuation Dates

Where the Products relate to a single Participation Certificate (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Participation Certificate on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Participation Certificate in accordance with General Condition 19 *(*Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 2.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 2.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

2.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 2.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 2.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

2.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Participation Certificates in the basket (each such Participation Certificates an "**Affected Participation Certificate**" in respect of such Underlying Valuation Date);
b. in respect of each Participation Certificates in the basket that is not an Affected Participation Certificate, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Participation Certificate, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Participation Certificate(s) in accordance with General Condition 19 *(*Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 2.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Participation Certificate may be postponed until the

earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Participation Certificate or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 2.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

2.2 Potential Adjustment Events and Extraordinary Events

2.2.1 Consequences of a Potential Adjustment Event

If the Calculation Agent determines that a Potential Adjustment Event has occurred in relation to a Participation Certificate, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of such Participation Certificate and if so, the Issuer and/or Calculation Agent may (but is not obliged to):

a. make the corresponding adjustment(s), if appropriate, to the Conditions as the Calculation Agent determines appropriate to account for that diluting or concentrative effect; and
b. determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s); or
c. if the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 2.2.3 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

2.2.2 Consequences of an Extraordinary Event

If the Calculation Agent determines that an Extraordinary Event has occurred in respect of a Participation Certificate, the following will apply:

a. in respect of a Merger Event or Tender Offer, on or after the relevant Merger Date or Tender Offer Date (or such other date as the Calculation Agent deems relevant), as determined by the Calculation Agent, the Issuer and/or Calculation Agent may (A) make such adjustment to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Merger Event or Tender Offer (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Participation Certificate traded thereon and (B) determine the effective date of that adjustment; or
b. in respect of a Nationalisation, Insolvency or Delisting, on or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting (or such other date as the Calculation Agent deems relevant), as determined by the Calculation Agent, the Issuer and/or Calculation Agent may (A) make such adjustment to the Conditions as the Calculation Agent determines

appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) to options on the Participation Certificate traded thereon and (B) determine the effective date of that adjustment; or

c. if the Calculation Agent determines that no adjustment as described in (a) or (b) above (or in paragraph 2.2.3 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

2.2.3 Additional Adjustments in respect of a basket of Underlyings

Where the Products relate to a basket of Underlyings, if in relation to a Basket Component an adjustment (as described in paragraphs 2.2.1 or 2.2.2) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Participation Certificate Linked Conditions in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to, either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

2.2.4 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 2.2 (Potential Adjustment Events and Extraordinary Events), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made,

provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

2.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate); or
b. if the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

2.4 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is published by the Exchange on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 *(*Notices).

2.5 Definitions

The following terms and expressions shall have the following meanings in respect of Participation Certificate Linked Products and each Underlying which is a Participation Certificate:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law, a Hedging Disruption and/or an Insolvency Filing, or as specified in the Issue Terms

"**Basket Component**" means each Participation Certificate composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Participation Certificate or (ii) the Hedging Entity will incur a materially

increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Closing Price**" means, on any day in respect of a Participation Certificate, the official closing price of such Participation Certificate on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Participation Certificate Linked Conditions.

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

"**Disrupted Day**" means, in respect of a Participation Certificate, 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, in respect of a Participation Certificate, the closure on any Exchange Business Day of any relevant Exchange(s) relating to such Participation Certificate or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related 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) or 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 Participation Certificate, the exchange or the quotation system as specified in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Participation Certificate has temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to such Participation Certificate on such temporary substitute exchange or quotation system as on the original exchange or quotation system).

"**Exchange Business Day**" means, in respect of a Participation Certificate, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means, in respect of a Participation Certificate, 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, such Participation Certificate on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Participation Certificate on any relevant Related Exchange.

"**Extraordinary Event**" means a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent or any of its affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Participation Certificate in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Participation Certificates.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Insolvency**" means, in respect of a Participation Certificate, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting the Participation Certificate Issuer (a) all the shares of such Participation Certificate Issuer are required to be transferred to a trustee, liquidator or other similar official or (b) holders of shares of such Participation Certificate Issuer become legally prohibited from transferring them.

"**Insolvency Filing**" means, in respect of a Participation Certificate, that the Participation Certificate Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered 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 Participation Certificate Issuer shall not be deemed an Insolvency Filing.

"**Intraday Price**" means, in respect of a Participation Certificate and any relevant time on any relevant day, the price at which such Participation Certificate trades on the relevant Exchange at such time on such day, as determined by the Calculation Agent.

"**Level**" means, in respect of a Participation Certificate and any relevant day, one of the following as specified in the Issue Terms in respect of such Participation Certificate and such day or any other price as specified in the Issue Terms:

a. Closing Price;
b. Opening Price;
c. Intraday Price; or
d. Volume Weighted Average Price.

"**Market Disruption Event**" means, in respect of a Participation Certificate, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent regards as material, at any time during the one-hour period that ends at the relevant Valuation Time, (c) an Early Closure or (d) an Illiquidity Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

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

"**Merger Event**" means, in respect of a Participation Certificate, any (a) reclassification or change of any share of the Participation Certificate Issuer that results in a transfer of or an irrevocable commitment to transfer all of such shares of the Participation Certificate Issuer outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding exchange of the shares of the Participation Certificate Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Participation Certificate Issuer is the continuing entity and which does not result in a reclassification or change of all such shares outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding shares of the Participation Certificate Issuer that results in a transfer of or an irrevocable commitment to transfer all such shares (other than such shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Participation Certificate Issuer or its affiliates with or into another entity in which the Participation Certificate Issuer 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 (a "**Reverse Merger**") in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Issue Terms provide for settlement by delivery, the Delivery Date.

"**Nationalisation**" means, in respect of a Participation Certificate, that all the shares of the Participation Certificate Issuer or all the assets or substantially all the assets of such Participation Certificate Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Opening Price**" means, on any day in respect of a Participation Certificate, the official opening price of such Participation Certificate on the Exchange on the relevant day, as determined by the Calculation Agent subject as provided in the Participation Certificate Linked Conditions.

"**Participation Certificate**" means, subject to adjustment in accordance with the Participation Certificate Linked Conditions, each participation certificate specified as such in the Issue Terms and related expressions shall be construed accordingly.

"**Participation Certificate Issuer**" means, in respect of a Participation Certificate, the issuer of such Participation Certificate.

"**Potential Adjustment Event**" means any of the following:

a. a subdivision, consolidation or reclassification of the relevant shares of the Participation Certificate Issuer (unless resulting in a Merger Event) or a free distribution or dividend of any such shares of the Participation Certificate Issuer to existing holders by way of bonus, capitalisation or similar issue;
b. a distribution, issue or dividend to existing holders of the relevant Participation Certificates and/or shares of the Participation Certificate Issuer ("**Ordinary Shares**") of (i) such Participation Certificate and/or Ordinary Shares or (ii) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Participation Certificate Issuer equally or proportionately or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Participation Certificate Issuer 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 (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
c. an amount per share which the Calculation Agent determines should be characterised as an extraordinary dividend;
d. a call by the Participation Certificate Issuer in respect of relevant shares that are not fully paid;
e. a repurchase by the respective Participation Certificate Issuer or any of its affiliates of relevant shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
f. in respect of the Participation Certificate Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Participation Certificate Issuer pursuant to a shareholder rights plan or similar 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 exercise of such rights;
g. an amendment or adjustment of the conditions of the Participation Certificate; or
h. 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 Participation Certificates.

"**Related Exchange(s)** " means, in respect of a Participation Certificate, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Calculation Agent in its discretion) on the overall market for futures or options contracts relating to such Participation Certificate.

"**Relevant Underlying Price**" means, in respect of a Participation Certificate, a price for such Participation Certificate, as determined and published by the Exchange, which is relevant for the Products.

"**Scheduled Closing Time**" means, in respect of a Participation Certificate, 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 the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of a Participation Certificate, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Tender Offer**" means, in respect of a Participation Certificate, 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, more than 10 per cent and less than 100 per cent of the outstanding voting shares of the Participation Certificate Issuer, as determined by the Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10 per cent and less than 100 per cent of the outstanding voting shares of the Participation Certificate Issuer) are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"**Trading Disruption**" means, in respect of a Participation Certificate, 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 (a) relating to such Participation Certificate on such Exchange or (b) in futures or options contracts relating to such Participation Certificate on any relevant Related Exchange.

"**Underlying Trading Day**" means, in respect of a Participation Certificate, an Exchange Business Day for such Participation Certificate.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Participation Certificate, in each case, subject to adjustment in accordance with the Participation Certificate Linked Conditions.

"**Valuation Time**" means, in respect of a Participation Certificate, the time at which the official closing price of such Participation Certificate is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Volume Weighted Average Price**" means, on any day in respect of a Participation Certificate, an amount equal to the volume weighted average price for such Participation Certificate as displayed on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Participation Certificate Linked Conditions.

3. Index Linked Conditions

These Underlying Specific Conditions 3 (Index Linked Conditions) shall apply to Index Linked Products in respect of each Underlying which is an Index.

3.1 Consequences of Disrupted Days

3.1.1 Single Index and Underlying Valuation Dates

Where the Products relate to a single Index (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Index on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Index in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 3.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 3.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

3.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless the 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and

b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 3.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 3.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

3.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Indices in the basket (each such Index an "**Affected Index**" in respect of such Underlying Valuation Date);
b. in respect of each Index in the basket that is not an Affected Index, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Index, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Index(ices) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 3.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Index may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Index or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in

accordance with paragraph 3.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

3.2 Successor Index Sponsor, Successor Index and Index Adjustment Events

3.2.1 Successor Index Sponsor and Successor Index

a. If an Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor (a "**Successor Index Sponsor**") acceptable to the Calculation Agent; or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation of such Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.
b. If either of the events described in (a) above have occurred, the Issuer and/or Calculation Agent may make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Products to account for such Successor Index. Upon making any such adjustment the Issuer and/or Calculation Agent shall give notice to the Investors, giving details of the adjustment, in accordance with General Condition 19 (Notices).
c. If the Calculation Agent determines that no adjustment as described in (b) above (or in paragraph 3.2.3 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

3.2.2 Index Adjustment Events

a. If, in respect of an Index, the Calculation Agent determines that an Index Adjustment Event has occurred, the Calculation Agent shall determine if such event has a material effect on the Products and, if so, shall calculate the relevant amount using, in lieu of a published level for the Index, the level for the Index as at the relevant date as determined by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised the Index immediately prior to that event and shall notify the Investors thereof (in accordance with General Condition 19 (Notices)). None of the Issuer and/or Calculation Agent or the Paying Agent shall have any responsibility in respect of any error or omission or subsequent correction made in the calculation or publication of an index, whether caused by negligence or otherwise.
b. If the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 3.2.3 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The

termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

3.2.3 Additional Adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if in relation to a Basket Component an adjustment (as described in paragraphs 3.2.1 or 3.2.2) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Index Linked Conditions in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

3.2.4 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 3.2 (Successor Index Sponsor, Successor Index and Index Adjustment Events), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

3.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of it an amount equal to the Unscheduled Early Redemption Amount

in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

3.4 Correction of Levels

In the event that a Relevant Level is subsequently corrected and the correction (the "**Corrected Level**") is published by the Index Sponsor on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Level, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Level, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Level. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

3.5 Definitions

The following terms and conditions shall have the following meanings in respect of Index Linked Products and each Underlying which is an Index:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Basket Component**" means each Index composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of the components contained an Index, (ii) the use of an Index or one of the components contained in an Index has become illegal or (iii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Closing Index Level**" means, on any day in respect of an Index, the official closing level of such Index as of the Valuation Time on or in respect of the relevant day as calculated and published by the relevant Index Sponsor or as otherwise determined by the Calculation Agent subject as provided in the Index Linked Conditions.

"**Disrupted Day**" means, in respect of an Index, any Scheduled Trading Day on which (a) the Index Sponsor fails to publish the level of the Index, (b) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (c) on which a Market Disruption Event has occurred.

"**Early Closure**" means, in respect of an 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 Related 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) or 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 an Index, any exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the components contained in such Index has relocated or temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to the components underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange).

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

"**Exchange Delivery Settlement Price**" or "**EDSP**" means, in respect of an Index and any relevant time on any relevant day, the official exchange delivery settlement price of such Index at such time on or in respect of such day, as published by the Index Sponsor and as determined by the Calculation Agent.

"**Exchange Disruption**" means, in respect of an 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 (a) to effect transactions in, or obtain market values on, any relevant Exchange for securities that comprise 20 per cent or more of the level of such Index, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent or any of their affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Index (or components thereof) in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Index or its components.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer´s obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Index**" and "**Indices**" mean, subject to an adjustment in accordance with the Index Linked Conditions, each index specified as such in the Issue Terms and related expressions shall be construed accordingly.

"**Index Adjustment Event**" means an Index Cancellation, an Index Disruption or an Index Modification.

"**Index Cancellation**" means, in respect of an Index, on or before any Underlying Valuation Date the Index Sponsor or (if applicable) the Successor Index Sponsor permanently cancels the Index or the Index may no longer be used as a consequence of (a) new regulatory provisions and no Successor Index exists or (b) the index license agreement is terminated for any reason.

"**Index Disruption**" means, in respect of an Index, on any Underlying Valuation Date the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce the level of the Index.

"**Index Modification**" means, in respect of an Index, on or before any Underlying Valuation Date the Index Sponsor or (if applicable) the Successor Index Sponsor announces that it will make a material change in the formula for or method of calculating that 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 securities and capitalisation and other routine events).

"**Index Sponsor**" means, in respect of an Index, the index sponsor specified as such in the Issue Terms.

"**Intraday Level**" means, in respect of an Index and any relevant time on any relevant day, the official level of such Index at such time on or in respect of such day, as published by the Index Sponsor and as determined by the Calculation Agent.

"**Level**" means, in respect of an Index and any relevant day, one of the following as specified in the Issue Terms in respect of such Index and such day or any other price as specified in the Issue Terms:

a. Closing Index Level;
b. Intraday Level;
c. Opening Index Level; or
d. Exchange Delivery Settlement Price.

"**Market Disruption Event**" means, in respect of an Index, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent regards as material, at any time during the one-hour period that ends at the relevant Valuation Time, (c) an Early Closure or (d) an Illiquidity Event. For the purpose of determining whether a Market Disruption Event in respect of an Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (i) the portion of the level of the Index attributable to that security and (ii) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**Opening Index Level**" means, on any day in respect of an Index, the official opening level of such Index on or in respect of the relevant day as calculated and published by the relevant Index Sponsor or as otherwise determined by the Calculation Agent subject as provided in the Index Linked Conditions.

"**Related Exchange(s)** " means, in respect of an Index, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Calculation Agent in its discretion) on the overall market for futures or options contracts relating to such Index.

"**Relevant Level**" means, in respect of an Index, a level for such Index, as determined and published by the Index Sponsor, which is relevant for the Products.

"**Scheduled Closing Time**" means, in respect of an Index, 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 the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of an Index, any day on which the Index Sponsor is scheduled to calculate and publish the level of such Index.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Trading Disruption**" means, in respect of an 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 (a) relating to securities that comprise 20 per cent. or more of the level of such Index on any relevant Exchange or (b) in futures or options contracts relating to such Index on any relevant Related Exchange.

"**Underlying Trading Day**" means, in respect of an Index, an Exchange Business Day for such Index.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of an Index, in each case, subject to adjustment in accordance with the Index Linked Conditions.

"**Valuation Time**" means, in respect of an Index, the time at which the official closing level of such Index is calculated and published by the Index Sponsor.

4. Depositary Receipt Linked Conditions

These Underlying Specific Conditions 4 (Depositary Receipt Linked Conditions) shall apply to Depositary Receipt Linked Products in respect of each Underlying which is a Depositary Receipt.

4.1 Consequences of Disrupted Days

4.1.1 Single Depositary Receipt and Underlying Valuation Dates

Where the Products relate to a single Depositary Receipt (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Depositary Receipt on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Depositary Receipt in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 4.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 4.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

4.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and

b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 4.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 4.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

4.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Depositary Receipts in the basket (each such Depositary Receipt an "**Affected Depositary Receipt**" in respect of such Underlying Valuation Date);
b. in respect of each Depositary Receipt in the basket that is not an Affected Depositary Receipt, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Depositary Receipt, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Depositary Receipt(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 4.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Depositary Receipt may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Depositary Receipt or (b) the day that is 60 calendar days following the Scheduled

Trading Day determined in accordance with paragraph a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

4.2 Adjustments

4.2.1 Consequences of a Potential Adjustment Event

If the terms of the Deposit Agreement are amended or supplemented following a Potential Adjustment Event (as determined by the Calculation Agent) in relation to the relevant Depositary Receipt, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of such Depositary Receipt and, if so, the Issuer and/or Calculation Agent may (but is not obliged to):

a. make the corresponding adjustment(s), if appropriate, to the Conditions as the Calculation Agent determines appropriate to account for that diluting or concentrative effect; and
b. determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s); or
c. if the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 4.2.4) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

4.2.2 Consequences of an Extraordinary Event

If the Calculation Agent determines that an Extraordinary Event has occurred in respect of a Depositary Receipt, the following will apply:

a. in respect of a Merger Event or Tender Offer, on or after the relevant Merger Date or Tender Offer Date (or such other date as the Calculation Agent deems relevant), as determined by the Calculation Agent, the Issuer and/or Calculation Agent may (A) make such adjustment to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Merger Event or Tender Offer (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Share or to the Depositary Receipt), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the relevant Underlying Share or on the Depositary Receipt traded thereon and (B) determine the effective date of that adjustment; or
b. in respect of a Nationalisation, Insolvency or Delisting, on or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting(or such other date as the Caculation Agent deems relevant), as determined by the Calculation Agent, the Issuer and/or Calculation Agent may (A) make such adjustment to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity

relevant to the Underlying Share or the Depositary Receipt), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) to options on the Underlying Share or on the Depositary Receipt traded thereon and (B) determine the effective date of that adjustment; or

c. if the Calculation Agent determines that no adjustment as described in (a) or (b) above (or in paragraph 4.2.4) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor itshall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

4.2.3 Consequences of a termination of the Deposit Agreement

If the Deposit Agreement is terminated, then on or after the date of such termination:

a. both:

(i) references to the Depositary Receipt shall be replaced by references to the Underlying Shares; and

(ii) the Issuer and/or Calculation Agent may adjust any relevant terms and will determine the effective date of such replacement and adjustments; or

b. if the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 4.2.4 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices*)*, in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

4.2.4 Additional Adjustments in respect of a basket of Underlyings

Where the Products relate to a basket of Underlyings, if in relation to a Basket Component an adjustment (as described in paragraphs 4.2.1 to 4.2.3) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Depositary Receipt Linked Conditions in relation to each such Basket Component (an "**Affected Depositary Receipt**")) be entitled, but not obliged to, either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or

b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket

Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

4.2.5 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 4.2 (Adjustments), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices) stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

4.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Share or Depositary Receipt); or
b. if the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

4.4 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is published by the Exchange on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

4.5 Definitions

The following terms and expressions shall have the following meanings in respect of Depositary Receipt Linked Products and each Underlying which is a Depositary Receipt:

"**Additional Disruption Event**" means, in respect of a Share, each of Increased Cost of Hedging, a Change in Law, a Hedging Disruption, an Insolvency Filing, a Failure to Deliver and/or a Reduced Number of Shares, or as specified in the Issue Terms.

"**Basket Component**" means each Depositary Receipt composed within a basket of Underlyings.

"**Closing Price**" means, on any day in respect of a Depositary Receipt, the official closing price of such Depositary Receipt on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Depositary Receipt Linked Conditions.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Depositary Receipt or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

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

"**Deposit Agreement**" means the agreement or other instrument constituting the Depositary Receipts, as amended from time to time.

"**Depositary Receipt**" means, subject to adjustment in accordance with the Depositary Receipt Linked Conditions, each security representing shares specified as such in the Issue Terms and related expressions shall be construed accordingly.

"**Disrupted Day**" means, in respect of a Depositary Receipt, 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, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to such Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related 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) or 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:

a. in respect of a Depositary Receipt, the exchange or the quotation system as specified in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Depositary Receipt has temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to such Depositary Receipt on such temporary substitute exchange or quotation system as on the original exchange or quotation system); and
b. in respect of the Underlying Share, the exchange on which the Underlying Share is principally traded, as determined by the Calculation Agent.

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

"**Exchange Disruption**" means, in respect of a Share, 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, such Share on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"**Extraordinary Event**" means, in respect of a Share, a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

"**Failure to Deliver**" means, in respect of a Share, the failure of the Hedging Entityto deliver, when due, the relevant Shares, where such failure to deliver is due to illiquidity in the market for such Shares.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent or any of its affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Depositary Receipts in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Depositary Receipts.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the

risk in respect of entering into and performing the Issuer´s obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Insolvency**" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (a) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"**Insolvency Filing**" means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered 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 Issuer shall not be deemed an Insolvency Filing.

"**Intraday Price**" means, in respect of a Depositary Receipt and any relevant time on any relevant day, the price at which such Depositary Receipt trades on the relevant Exchange at such time on such day, as determined by the Calculation Agent.

"**Level**" means, in respect of a Depositary Receipt and any relevant day, one of the following as specified in the Issue Terms in respect of such Depositary Receipt and such day day or any other price as specified in the Issue Terms:

a. Closing Price;
b. Opening Price;
c. Intraday Price; or
d. Volume Weighted Average Price.

"**Market Disruption Event**" means:

a. in respect of the Depositary Receipt, (i) the occurrence or existence of (A) a Trading Disruption, (B) an Exchange Disruption, which in either case the Calculation Agent regards as material, at any time during the one-hour period that ends at the relevant Valuation Time, (C) an Early Closure, in each case in relation to the Depositary Receipt or (D) an Illiquidity Event., or (ii) the existence of a Market Disruption Event in relation to the relevant Underlying Share; and
b. in respect of an Underlying Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent regards as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (iii) an Early Closure, in each case in respect of such Underlying Share.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

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

"**Merger Event**" means, in respect of a Share, any (a) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer 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 (a "**Reverse Merger**") in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Issue Terms provide for settlement by delivery, the Delivery Date.

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

"**Opening Price**" means, on any day in respect of a Depositary Receipt, the official opening price of such Depositary Receipt on the Exchange on the relevant day, as determined by the Calculation Agent subject as provided in the Depositary Receipt Linked Conditions.

"**Potential Adjustment Event**" means any of the following:

a. a subdivision, consolidation or reclassification of the relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
b. a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares or (ii) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (iii) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer 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 (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
c. an amount per Share which the Calculation Agent determines should be characterised as an extraordinary dividend;
d. a call by the Share Issuer in respect of relevant Shares that are not fully paid;
e. a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
f. in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or similar 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 exercise of such rights; or

g. any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Share.

"**Reduced Number of Shares**" means that at any time following an Extraordinary Event there remain a number of Shares of the Share Issuer less than the Relevant Number of Shares for the purposes of determining the redemption of the Products in accordance with the Conditions.

"**Related Exchange(s)** " means, in respect of a Share, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Calculation Agent in its discretion) on the overall market for futures or options contracts relating to such Share.

"**Relevant Number of Shares**" means the number of Shares of the Share Issuer as specified in the Issue Terms.

"**Relevant Underlying Price**" means, in respect of a Depositary Receipt, a price for such Depositary Receipt, as determined and published by the Exchange, which is relevant for the Products.

"**Scheduled Closing Time**" means, in respect of a Share, 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 the regular trading session hours.

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

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Share**" means (a) for the determination whether a Potential Adjustment Event, a Merger Event, a Tender Offer, a Nationalisation or an Insolvency has occurred, the Underlying Share and (b) for all other purposes, the Underlying Share and the Depositary Receipt.

"**Share Issuer**" means the company that has issued the Underlying Share.

"**Tender Offer**" means, in respect of a Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, more than 10 per cent and less than 100 per cent of the outstanding voting shares of the Share Issuer, as determined by the Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10 per cent and less than 100 per cent of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"**Trading Disruption**" means, in respect of a Share, 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 (a) relating to such Share on such Exchange or (b) in futures or options contracts relating to such Shares on any relevant Related Exchange.

"**Underlying Share**" means the relevant share represented by the Depositary Receipt, as issued by the relevant Share Issuer.

"**Underlying Trading Day**" means, in respect of a Depositary Receipt, an Exchange Business Day for such Depositary Receipt.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Depositary Receipt, in each case, subject to adjustment in accordance with the Depositary Receipt Linked Conditions.

"**Valuation Time**" means, in respect of a Share, the time at which the official closing price of such Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Volume Weighted Average Price**" means, on any day in respect of a Depositary Receipt, an amount equal to the volume weighted average price for such Depositary Receipt as displayed on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Depositary Receipt Linked Conditions.

5. Commodity Linked Conditions

The provisions of these Underlying Specific Conditions 5 (Commodity Linked Conditions) shall apply to Commodity Linked Products in respect of each Underlying which is a Commodity.

5.1 Consequences of Disrupted Days

5.1.1 Single Commodity and Underlying Valuation Dates

Where the Products relate to a single Commodity (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Commodity on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Commodity in accordance with General Condition VII.19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 5.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 5.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

5.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and

b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 5.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 5.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

5.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Commodities in the basket (each such Commodity an "**Affected Commodity**" in respect of such Underlying Valuation Date);
b. in respect of each Commodity in the basket that is not an Affected Commodity, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Commodity, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Commodity(ies) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 5.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Commodity may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Commodity or (b) the day that is 60 calendar days following the Scheduled Trading Day

determined in accordance with paragraph 5.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

5.2 Adjustments

5.2.1 Substitution of Reference Market and/or Price Source

a. If the quotation of or trading in the Commodity on the Reference Market or the publication of the relevant price of the Commodity by the Price Source is permanently discontinued while concurrently the quotation or trading is maintained or is commenced on another reference market (the "**Substitute Reference Market**") or if the relevant price of the Commodity is published by another price source (the "**Substitute Price Source**"), the Calculation Agent shall be entitled to stipulate the Substitute Reference Market as the new Reference Market and/or the Substitute Price Source as the Price Source through publication in accordance with General Condition 19 (Notices).

   In the case of such a substitution, any reference in the Conditions to the Reference Market and/or Price Source thereafter shall be deemed to refer to the Substitute Reference Market and/or Substitute Price Source.

b. If the Calculation Agent determines that no substitution as described in (a) above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

5.2.2 Changes in the Commodity

a. If at any time the Commodity is terminated and/or replaced by another value or if the Commodity is traded in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit, the Issuer and/or Calculation Agent are entitled to make an adjustment to the Conditions, which in the assessment of the Calculation Agent is appropriate to reflect the amendments and/or to replace the Commodity with a successor commodity (the "**Successor Commodity**") which is economically equivalent to the original relevant concept of the Commodity.

   The Issuer and/or Calculation Agent will multiply the relevant price of the Commodity by an adjustment factor in order to ensure the continuity of the development of the reference value(s) underlying the Products. The Successor Commodity and the date of its initial application shall be published in accordance with General Condition 19 (Notices). Any reference in the Conditions to the Commodity shall, to the extent appropriate, be deemed to refer to the Successor Commodity.

b. If the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer

initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

5.2.3 Additional Adjustments in respect of a basket of Underlyings

Where the Products relate to a basket of Underlyings, if in relation to a Basket Component an adjustment (as described in paragraphs 5.2.1 and 5.2.2) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Commodity Linked Conditions in relation to each such Basket Component (an "**Affected Commodity**")) be entitled, but not obliged to, either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

5.2.4 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 5.2 (Adjustments), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

5.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and cause to paid to each Investor in respect of each Product held by it an amount equal

to the Unscheduled Early Redemption Amount. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

5.4 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is displayed on the relevant Price Source and/or published by the Reference Market on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

5.5 Definitions

The following terms and expressions shall have the following meanings in respect of Commodity Linked Products and each Underlying which is a Commodity:

"**Additional Disruption Event**" means a Permanent Market Disruption Event, an Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Basket Component**" means each Commodity composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Commodity or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Commodity**" means, subject to adjustment in accordance with the Commodity Linked Conditions, each commodity or commodity futures contract specified as such in the Issue Terms and related expressions shall be construed accordingly.

"**Commodity Reference Price**" means, on any day in respect of a Commodity, the relevant price per unit of such Commodity displayed on the relevant Price Source and/or published by the Reference Market on the relevant day, as determined by the Calculation Agent subject as provided in the Commodity Linked Conditions.

"**Disrupted Day**" means, in respect of a Commodity, any Scheduled Trading Day on which a relevant Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event, except for a Permanent Market Disruption Event (to the extent applicable), has occurred.

"**Hedging Entity**" means the Issuer and/or Calculation Agent or any of their affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Commodity in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Commodity.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer´s obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Level**" means, in respect of a Commodity and any date, the Commodity Reference Price in respect of such Commodity and such date or any other price as specified in the Issue Terms.

"**Market Disruption Event**" means, in respect of a Commodity, the occurrence or existence of any of the following:

a. the failure of a Reference Market or Price Source to announce or publish a price relevant for the Products; or (ii) the temporary or permanent discontinuance or unavailability of such Price Source; or (iii) the disappearance or permanent discontinuance or unavailability of a price relevant for the Products (notwithstanding the availability of the related Price Source or the status of trading in the Commodity);
b. the material suspension or limitation of trading in the Commodity on the relevant Reference Market or in futures or options contracts relating to the Commodity on a futures exchange where such contracts are usually traded;
c. the failure of trading to commence, or the permanent discontinuation of trading, (i) in the Commodity on the Reference Market or (ii) in futures or options contracts relating to the Commodity on a futures exchange where such contracts are usually traded;
d. the occurrence since the Initial Fixing Date of a material change (i) in the formula for or method of calculating the price relevant for the Products; or (ii) in the content, composition or constitution of the Commodity or of futures or options contracts relating to the Commodity;
e. 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 Commodity or futures or options contracts relating to the Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or tax authority, if the direct effect of such imposition, change or removal is to raise or lower a relevant price on a Underlying Valuation Date from what it would have been without such imposition, change or removal; or

f. an Illiquidity Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**Permanent Market Disruption Event**" means, in respect of a Commodity, any Market Disruption Event, if such event is, in the determination of the Calculation Agent, permanent.

"**Price Source**" means, in respect of a Commodity, the price source specified as such in the Issue Terms.

"**Reference Market**" means, in respect of a Commodity, the reference market or the quotation system specified as such in the Issue Terms, any successor to such reference market or quotation system or any substitute reference market or quotation system to which trading in the Commodity has temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to the Commodity on such temporary substitute reference market or quotation system as on the original reference market).

"**Reference Market Business Day**" means, in respect of a Commodity, any Scheduled Trading Day on which the Reference Market calculates and publishes a Relevant Underlying Price or, as the case may be, the Price Source publishes a Relevant Underlying Price.

"**Relevant Underlying Price**" means, in respect of a Commodity, a price for such Commodity, as determined and published by the Price Source, which is relevant for the Products.

"**Scheduled Trading Day**" means, in respect of a Commodity, any day on which the Reference Market is scheduled to calculate and publish a Relevant Underlying Price or, as the case may be, the Price Source is scheduled to publish a Relevant Underlying Price.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Underlying Trading Day**" means, in respect of a Commodity, a Reference Market Business Day for such Commodity.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Commodity, in each case, subject to adjustment in accordance with the Commodity Linked Conditions.

6. Currency Exchange Rate Linked Conditions

The provisions of these Underlying Specific Conditions 6 (Currency Exchange Rate Linked Conditions) shall apply to Currency Exchange Rate Linked Products in respect of each Underlying which is a Currency Exchange Rate.

6.1 Consequences of Disrupted Days

6.1.1 Single Currency Exchange Rate and Underlying Valuation Dates

Where the Securities relate to a single Currency Exchange Rate (and if the Issue Terms specify that this provision shall apply to particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Currency Exchange Rate on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Currency Exchange Rate in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 6.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 6.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

6.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Securities relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 6.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 6.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

6.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of the Underlying Valuation Dates

Where the Securities relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Currency Exchange Rates in the basket (each such Currency Exchange Rate an "**Affected Currency Exchange Rate**" in respect of such Underlying Valuation Date);
b. in respect of each Currency Exchange Rate in the basket that is not an Affected Currency Exchange Rate, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Currency Exchange Rate, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Currency Exchange Rate(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 6.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Currency Exchange Rate may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Currency Exchange Rate or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 6.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

6.2 Adjustment Events

6.2.1 Adjustments for changes in the market conditions on the Reference Market

If the Calculation Agent determines that a material change in the market conditions has occurred on the Reference Market, the Issuer and/or Calculation Agent shall be entitled to effect adjustments to the Conditions to account for these changed market conditions.

6.2.2 Adjustments for changes in the calculation of the Currency Exchange Rate

Any changes in the calculation (including corrections) of the Currency Exchange Rate or in the composition or weighting of the price or other reference parameters upon which the Currency Exchange Rate is based on (as compared to the Issue Date) shall not lead to an adjustment unless the Calculation Agent determines that, as a result of the changes (including corrections), the underlying concept and calculation of the Currency Exchange Rate are no longer comparable to the underlying concept or calculation of the Currency Exchange Rate applicable prior to such change. Adjustments may also be made as a result of the removal of the Currency Exchange Rate and/or its substitution by another underlying.

For the purpose of making any adjustments, the Calculation Agent shall determine an adjusted value per unit of the Currency Exchange Rate which shall be used for the determination of the relevant price of the Currency Exchange Rate for the Products and which in its economic result shall correspond to the provisions prior to this change. The Calculation Agent shall also determine the day on which the adjusted value per unit of the Currency Exchange Rate shall apply for the first time, taking into account the time the change occurred. The adjusted value per unit of the Currency Exchange Rate and the date of its first application shall be published pursuant to General Condition 19 (Notices).

6.2.3 Adjustments for changes in the currency used in connection with the Currency Exchange Rate

If any Relevant Currency (the "**Affected Currency**") in its function as legal tender in the country(ies) or jurisdiction(s) maintaining the authority, institution or other body which issues such currency is replaced by another currency or merged with another currency to become a common currency (in each case, the "**Successor Currency**"), the Affected Currency shall be replaced, for the purposes of these Conditions, by the Successor Currency provided that, if applicable, the appropriate adjustments according to paragraph 6.2.2 above have been made. The Successor Currency and the date of its first application shall be published in accordance with General Condition 19 (Notices).

In this case, any reference in these Conditions to the Affected Currency shall, to the extent appropriate, be deemed to refer to the Successor Currency.

6.2.4 Adjustments for replacement of the Reference Market

If the quotation of or trading in any Relevant Currency on the Reference Market is permanently discontinued while a quotation or trading is concurrently started up or maintained on another market (the "**Substitute Reference Market**"), the Calculation Agent shall be entitled to stipulate the Substitute Reference Market as the relevant Reference Market via publication in accordance with General Condition 19 (Notices), provided that the Issuer has not terminated the Products in accordance with these Currency Exchange Rate Linked Conditions.

In the case of such a substitution, any reference in these Conditions to the Reference Market thereafter shall be deemed to refer to the Substitute Reference Market.

The adjustment described above shall be published in accordance with General Condition 19 (Notices) within the three-month period following the permanent discontinuation of the quotation of or trading in such Relevant Currency on the Reference Market.

6.2.5 Additional Adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if, in relation to a Basket Component, an adjustment (as described in this Underlying Specific Condition 6.2 (Adjustment Events) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Currency Exchange Rate Linked Condition in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to, either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

6.2.6 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 6.2 (Adjustment Events), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

6.2.7 Early Termination due to an Adjustment Event

If the Calculation Agent determines that no adjustment as described in paragraphs 6.2.1 to 6.2.5 above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

6.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event (including adjustments to account for changes in volatility relevant to the Currency Exchange Rate); or
b. if the Calculation Agent determines that no adjustment as described in paragraph (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

6.4 Correction of Rates

In the event that a Relevant Rate is subsequently corrected and the correction (the "**Corrected Rate**") is displayed on the relevant Price Source on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Rate, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Rate, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Rate. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

6.5 Definitions

The following terms and expressions shall have the following meanings in respect of Currency Exchange Rate Linked Products and each Underlying which is a Currency Exchange Rate:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Adjustment Event** means each of the events described in the Underlying Specific Condition 6.2 (Adjustment Events).

"**Base Currency**" means, in respect of a Currency Exchange Rate, the currency specified as such in the Issue Terms.

"**Base Currency/Cross Currency Price**" means, on any day in respect of a Currency Exchange Rate, an exchange rate expressed as a number of units of the Cross Currency (or fractional amounts thereof) per one unit of the Base Currency, which appears on the Price Source at approximately the Currency Exchange Rate Valuation Time in respect of such day, as determined by the Calculation Agent subject as provided in the Currency Exchange Rate Linked Conditions.

"**Basket Component**" means each Currency Exchange Rate composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (x) it has become illegal to hold, acquire or dispose of any Relevant Currency, or (y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Cross Currency**" means, in respect of a Currency Exchange Rate, the currency specified as such in the Issue Terms.

"**Cross Currency/Reference Currency Price**" means, on any day in respect of a Currency Exchange Rate, an exchange rate expressed as a number of units of the Reference Currency (or fractional amounts thereof) per one unit of the Cross Currency, which appears on the Price Source at approximately the Currency Exchange Rate Valuation Time in respect of such day, as determined by the Calculation Agent subject as provided in the Currency Exchange Rate Linked Conditions.

"**Currency Exchange Rate**" means, subject to adjustment in accordance with the Currency Exchange Rate Linked Conditions, in respect of any day, an exchange rate of one currency for another currency specified as such in the Issue Terms.

"**Currency Exchange Rate Business Day**" means, in respect of a Currency Exchange Rate, any Scheduled Trading Day on which the Reference Market is open for trading during its regular trading sessions, notwithstanding the Reference Market closing prior to its Scheduled Closing Time.

"**Currency Exchange Rate Valuation Time**" means, in respect of a Currency Exchange Rate, Base Currency/Cross Currency Price or Cross Currency/Reference Currency Price, the time specified as such in the Issue Terms.

"**Currency Exchange Reference Rate**" means, on any day in respect of a Currency Exchange Rate, an exchange rate expressed as a number of units of the Reference Currency (or fractional amounts thereof) per one unit of the Base Currency, which appears on the Price Source at approximately the Currency Exchange Rate Valuation Time in respect of such day, as determined by the Calculation Agent subject as provided in the Currency Exchange Rate Linked Conditions, PROVIDED THAT, if 'Derived Exchange Rate' is specified as 'Applicable' in the Issue Terms, the Currency Exchange Reference Rate shall be the Derived Exchange Rate.

"**Derived Exchange Rate**" means, on any day in respect of a Currency Exchange Rate, an exchange rate expressed as a number of units of the Reference Currency (or fractional amounts thereof) per one unit of the Base Currency, as determined by the Calculation Agent as the quotient of the (i) Cross Currency/Reference Currency Price; and (ii) the Base Currency/Cross Currency Price, in each case in respect of such day.

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

"**Early Closure of the Reference Market**" means, in respect of a Currency Exchange Rate, the closure on any Currency Exchange Rate Business Day of the Reference Market prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Market at least one hour prior to the actual closing time for the regular trading session on the Reference Market on such Currency Exchange Rate Business Day.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent, any of its affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the relevant currency/ies in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the relevant currency/ies.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Level**" means, in respect of a Currency Exchange Rate and any relevant day, the Currency Exchange Reference Rate in respect of such Currency Exchange Rate and such day or any other price as specified in the Issue Terms..

"**Market Disruption Event**" means, in respect of a Currency Exchange Rate, the occurrence or existence of any of the following:

a. the suspension or absence of the announcement of a price of a Currency Exchange Rate relevant for the Products on the Reference Market or by the relevant Price Source;
b. the suspension or limitation of banking activities in the Relevant Country, the latter of which the Calculation Agent determines is material in respect of the Products;
c. the suspension or limitation of trading, the latter of which the Calculation Agent determines material in respect of the Products in either:

    (i) a Relevant Currency on the Reference Market; or

    (ii) in futures or options contracts relating to a Relevant Currency on a futures exchange where such contracts are usually traded,

    due to a directive of an authority or the Reference Market or due to a moratorium on banking activities in the country where the Reference Market is located, or due to any other reasons;

d. the Early Closure of the Reference Market;
e. a Relevant Country either:

(i) imposes any controls or announces its intention to impose any controls on any relevant currency; or

(ii) implements or announces its intention to implement any laws or regulations; or

(iii) changes or announces its intention to change the interpretation or administration of any laws or regulations,

where in each case, the Calculation Agent determines that such event mentioned in paragraph (e)(i), (e)(ii) and (e)(iii) of this definition of Market Disruption Event is likely to affect the ability of the Issuer and/or Calculation Agent or any of its affiliates to acquire, hold, transfer or realise any Relevant Currency or otherwise to effect transactions in relation to such Relevant Currency;

f. an event which the Calculation Agent determines would make it impossible for the Issuer and/or Calculation Agent or any of its affiliates to perform, impair or delay the performance of the following activities:

(i) converting a Relevant Currency into the Settlement Currency or any other currency through customary legal channels or transferring within or from any Relevant Country a Relevant Currency due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;

(ii) converting a Relevant Currency into another Relevant Currency or into the Settlement Currency or any other currency at a rate at least as favourable as the rate for domestic financial institutions located in the Relevant Country;

(iii) transferring a Relevant Currency from accounts inside the Relevant Country to accounts outside such Relevant Country; or

(iv) transferring a Relevant Currency between accounts inside the Relevant Country or to a party that is a non-resident of such Relevant Country;

g. an event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to:

(i) obtain market values for a Relevant Currency; or

(ii) effect transactions in, or obtain market values for, futures or options contracts relating to a Relevant Currency on a futures exchange where such contracts are usually traded; or

h. an Illiquidity Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**Price Source**" means, in respect of a Currency Exchange Rate, Base Currency/Cross Currency Price or Cross Currency/Reference Currency Price, the price source, providing the relevant price of the Currency Exchange Rate, Base Currency/Cross Currency Price or Cross Currency/Reference Currency Price, specified as such in the Issue Terms.

"**Reference Market**" means, in respect of a Currency Exchange Rate, Base Currency/Cross Currency Price or Cross Currency/Reference Currency Price, the reference market specified as such in the Issue Terms.

"**Reference Currency**" means, in respect of a Currency Exchange Rate, the currency specified as such in the Issue Terms.

"**Relevant Country**" means, in respect of a Currency Exchange Rate, any country (or political or regulatory authority thereof) which:

a. has a Relevant Currency as its legal tender or official currency; and
b. in the opinion of the Calculation Agent, has a material connection with a Relevant Currency.

"**Relevant Currency**" means, in respect of a Currency Exchange Rate, any currency used to determine the level of such Currency Exchange Rate.

"**Relevant Rate**" means, in respect of a Currency Exchange Rate, a rate for such Currency Exchange Rate, as displayed on the Price Source, which is relevant for the Products.

"**Settlement Currency**" means the settlement currency specified as such in the Issue Terms.

"**Scheduled Closing Time**" means, in respect of a Currency Exchange Rate, the Reference Market and a Scheduled Trading Day, the scheduled weekday closing time of such Reference Market on such Scheduled Trading Day, without regard to any trading outside the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of a Currency Exchange Rate, any day on which the Reference Market is scheduled to be open for trading for its regular trading sessions.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Underlying Trading Day**" means, in respect of a Currency Exchange Rate, a Currency Exchange Rate Business Day for such Currency Exchange Rate.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Currency Exchange Rate, in each case, subject to adjustment in accordance with the Currency Exchange Rate Linked Conditions.

7. Futures and Other Exchange-Traded Contract Linked Conditions

The provisions of these Underlying Specific Conditions 7 (Futures and Other Exchange-Traded Contract Linked Conditions) shall apply to Futures and Other Exchange-Traded Contract Linked Products in respect of each Underlying which is a Futures and Other Exchange-Traded Contract.

7.1 Consequences of Disrupted Days

7.1.1 Single Futures and Other Exchange-Traded Contract and Underlying Valuation Dates

Where the Products relate to a single Futures and Other Exchange-Traded Contract (and if the Issue Terms specify that this provision shall apply to particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Futures and Other Exchange-Traded Contract on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Futures and Other Exchange-Traded Contract in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 7.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 7.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

7.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 7.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 7.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

7.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of the Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Futures and Other Exchange-Traded Contracts in the basket (each such Futures and Other Exchange-Traded Contract an "**Affected Futures and Other Exchange-Traded Contract**" in respect of such Underlying Valuation Date);
b. in respect of each Futures and Other Exchange-Traded Contract in the basket that is not an Affected Futures and Other Exchange-Traded Contract, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Futures and Other Exchange-Traded Contract, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Futures and Other Exchange-Traded Contract(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 7.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Futures and Other Exchange-Traded Contract may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Futures and Other Exchange-Traded Contract or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 7.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

7.2 Adjustment Events

7.2.1 Substitution of Reference Market and/or Price Source

If the quotation of or trading in a Futures and Other Exchange-Traded Contract on the Reference Market or the publication of the relevant price of such Futures and Other Exchange-Traded Contract by the Price Source is permanently discontinued while the quotation or trading is concurrently maintained or is commenced on another reference market (the "**Substitute Reference Market**") or if the relevant price of such Futures and Other Exchange-Traded Contract is published by another price source (the "**Substitute Price Source**"), the Calculation Agent shall be entitled to stipulate such Substitute Reference Market as the new Reference Market and/or such Substitute Price Source as the new Price Source through publication in accordance with General Condition 19 (Notices). In the case of such a substitution, any reference in the Conditions to the Reference Market and/or Price Source thereafter shall be deemed to refer to the Substitute Reference Market and/or Substitute Price Source.

7.2.2 Changes in the Futures and Other Exchange-Traded Contract

If at any time (a) a Futures and Other Exchange-Traded Contract is terminated and/or replaced by another value or (b) the relevant contract characteristics and/or conditions of such Futures and Other Exchange-Traded Contract or the value underlying such Futures and Other Exchange-Traded Contract are changed, the Issuer and/or Calculation Agent may, but are not obliged to, make an adjustment to the Conditions, which in the assessment of the Calculation Agent is appropriate to reflect the events described in (a) and (b) of this paragraph 7.2.2 and/or to replace such Futures and Other Exchange-Traded Contract with a successor futures contract (the "**Successor Futures and Other Exchange-Traded Contract**") which is economically equivalent to the original concept of such Futures and Other Exchange-Traded Contract.

As the case may be, the Issuer and/or Calculation Agent will multiply the relevant price of the Futures and Other Exchange-Traded Contract by an adjustment factor in order to ensure the continuity of the development of the reference value(s) underlying the Products.

The Successor Futures and Other Exchange-Traded Contract and the date of its initial application shall be published in accordance with General Condition 19 (Notices). Any reference in the Conditions to the Futures and Other Exchange-Traded Contract shall, to the extent appropriate, be deemed to refer to the Successor Futures and Other Exchange-Traded Contract.

7.2.3 Additional Adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if, in relation to a Basket Component, an adjustment (as described in this paragraph 7.2.3) is necessary, the Issuer and/or Calculation Agent

shall (in addition to the adjustments pursuant to such Futures and Other Exchange-Traded Contract Linked Condition in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to, either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

7.2.4 Notice of Adjustments

Upon making any such adjustment pursuant to these Underlying Specific Conditions 7.2, the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

7.2.5 Early Termination due to an Adjustment Event

If the Calculation Agent determines that no adjustment as described in the paragraphs 7.2.1 or 7.2.2 above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

7.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no adjustment as described in paragraph (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice

in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

7.4 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is displayed on the relevant Price Source on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

7.5 Definitions

The following terms and expressions shall have the following meanings in respect of Futures and Other Exchange-Traded Contract Linked Products and each Underlying which is a Futures and Other Exchange-Traded Contract:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law, a Hedging Disruption and/or a Permanent Market Disruption Event, or as specified in the Issue Terms.

"**Adjustment Event**" means each of the events described in Underlying Specific Conditions 7.2.1 (Substitution of Reference Market and/or Price Source) and 7.2.2 (Changes in the Futures and Other Exchange-Traded Contract).

"**Basket Component**" means each Futures and Other Exchange-Traded Contract composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Futures and Other Exchange-Traded Contract or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Disrupted Day**" means, in respect of a Futures and Other Exchange-Traded Contract, any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event (other than a Permanent Market Disruption Event (to the extent applicable)) has occurred.

"**Exchange**" means, in respect of a Futures and Other Exchange-Traded Contract, the exchange or the quotation system as specified in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Futures and Other Exchange-Traded Contract has temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to such Futures and Other Exchange-Traded Contract on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of a Futures and Other Exchange-Traded Contract, any Scheduled Trading Day on which each Exchange is open for trading during its respective regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time.

"**Futures and Other Exchange-Traded Contract**" means, subject to adjustment in accordance with these Futures and Other Exchange-Traded Contract Linked Conditions, each Futures and Other Exchange-Traded Contract specified as such in the Issue Terms.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent, any of their affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Futures and Other Exchange-Traded Contract in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Futures and Other Exchange-Traded Contract.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Intraday Price**" means, in respect of a Futures and Other Exchange-Traded Contract and any relevant time on any relevant day, the price at which such Futures and Other Exchange-Traded Contract trades on the relevant Exchange at such time on such day, as determined by the Calculation Agent.

"**Level**" means, in respect of a Futures and Other Exchange-Traded Contract and any relevant day, one of the following as specified in the Issue Terms in respect of such Futures and Other Exchange-Traded Contract and such day or any other price as specified in the Issue Terms:

a. Intraday Price.
b. Settlement Price.

"**Market Disruption Event**" means, in respect of a Futures and Other Exchange-Traded Contract, the occurrence or existence of any of the following:

a. either (i) the failure of the Price Source to announce or publish a price of such Futures and Other Exchange-Traded Contract relevant for the Products, (ii) the temporary or permanent discontinuance or unavailability of such Price Source or (iii) the disappearance or permanent discontinuance or unavailability of a price of such Futures and Other Exchange-Traded Contract relevant for the Products (notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures and Other Exchange-Traded Contract);
b. the material suspension or limitation of trading (i) in such Futures and Other Exchange-Traded Contract on the Exchange or (ii) on the Exchange in general;
c. the failure of trading to commence, or the permanent discontinuation of trading (i) in such Futures and Other Exchange-Traded Contract on the Exchange or (ii) on the Exchange in general;
d. a material change (as compared to the circumstances as at the Initial Fixing Date) in (i) the formula for or method of calculating a price of such Futures and Other Exchange-Traded Contract relevant for the Products or (ii) the content, composition or constitution of such Futures and Other Exchange-Traded Contract or of the underlying on which such Futures and Other Exchange-Traded Contract is based;
e. 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, such Futures and Other Exchange-Traded Contract or the underlying on which such Futures and Other Exchange-Traded Contract is based (other than a tax on, or measured by reference to, overall gross or net income) by any government or tax authority, if the direct effect of such imposition, change or removal is to raise or lower a relevant price on an Underlying Valuation Date from what it would have been without such imposition, change or removal; or
f. an Illiquidity Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**Permanent Market Disruption Event**" means, in respect of a Futures and Other Exchange-Traded Contract, any one or more of the events set out in the definition of Market Disruption Event in these Futures and Other Exchange-Traded Contract Linked Conditions, if such event is, in the determination of the Calculation Agent, considered to be permanent.

"**Price Source**" means, in respect of a Futures and Other Exchange-Traded Contract, the price source specified as such in the Issue Terms.

"**Reference Market**" means, in respect of a Futures and Other Exchange-Traded Contract, the reference market specified as such in the Issue Terms.

"**Relevant Underlying Price**" means, in respect of a Futures and Other Exchange-Traded Contract, a price for such Futures and Other Exchange-Traded Contract, as displayed on the Price Source, which is relevant for the Products.

"**Scheduled Closing Time**" means, in respect of a Futures and Other Exchange-Traded Contract, an Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of a Futures and Other Exchange-Traded Contract, any day on which the Exchange is scheduled to calculate and publish a Relevant Underlying Price of such Futures and Other Exchange-Traded Contract or, as the case may be, the Price Source is scheduled to publish a Relevant Underlying Price.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Settlement Price**" means, on any day in respect of a Futures and Other Exchange-Traded Contract, the official settlement price of such Futures and Other Exchange-Traded Contract on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Futures and Other Exchange-Traded Contract Linked Conditions.

"**Underlying Trading Day**" means, in respect of a Futures and Other Exchange-Traded Contract, an Exchange Business Day for such Futures and Other Exchange-Traded Contract.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Futures and Other Exchange-Traded Contract, in each case, subject to adjustment in accordance with the Futures and Other Exchange-Traded Contract Linked Conditions.

"**Valuation Time**" means, in respect of a Futures and Other Exchange-Traded Contract, the time at which the official closing price of such Futures and Other Exchange-Traded Contract is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

8. Fixed Income Instrument and Derivative Instrument Linked Conditions

The provisions of these Underlying Specific Conditions 8 (Fixed Income Instrument and Derivative Instrument Linked Conditions) shall apply to Fixed Income Instrument Linked Products and Derivative Instrument Linked Products in respect of each Underlying which is a Fixed Income Instrument or Derivative Instrument.

8.1 Consequences of Disrupted Days

8.1.1 Single Instrument and Underlying Valuation Dates

Where the Products relate to a single Instrument (and if the Issue Terms specify that this provision shall apply to particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Instrument on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Instrument in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 8.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 8.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

8.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common in respect of the basket of Underlyings' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 8.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 8.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

8.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of the Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common in respect of the basket of Underlyings' in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Instruments in the basket (each such Instrument an "**Affected Instrument**" in respect of such Underlying Valuation Date);
b. in respect of each Instrument in the basket that is not an Affected Instrument, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Instrument, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Instrument(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 8.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Instrument may be postponed until the earlier of

(a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Instrument or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 8.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

8.2 Adjustment Events

8.2.1 Changes in the market conditions on the Reference Market

If, in the determination of the Calculation Agent, a material change in the market conditions has occurred on the Reference Market, the Issuer and/or Calculation Agent shall be entitled to effect adjustments to the Conditions to account for these changed market conditions.

8.2.2 Changes in the calculation of the Instrument

Any changes in the calculation (including corrections) of an Instrument shall not lead to an adjustment unless the Calculation Agent determines that as a result of the changes (including corrections) the underlying concept and calculation of such Instrument is no longer comparable to the underlying concept or calculation applicable to such Instrument prior to such change. Adjustments may also be made as a result of the removal of such Instrument and/or its substitution by another underlying or the Delisting of such Instrument.

For the purposes of making any adjustments, the Calculation Agent shall determine the adjusted value of such Instrument which shall be used for the determination of the relevant price of such Instrument for the Products that, in its economic result, shall correspond to the provisions prior to this change, and shall determine the day on which the adjusted value of such Instrument shall apply for the first time taking into account the time the change occurred. The adjusted value of the Instrument and the date of its first application shall be published pursuant to General Condition 19 (Notices).

8.2.3 Termination, early redemption, replacement or adjustment to the terms and conditions of the Instrument

In the event that an Instrument is terminated and/or redeemed early or replaced by another Instrument, provided that such circumstance does not occur in connection with any insolvency or general settlement proceedings or other similar proceedings of the issuer of the Instrument(s), or in the event of changes to the terms and conditions of the Instrument(s), the Instrument(s) may be replaced for the purposes of these Conditions by another financial instrument (the "**Successor Instrument**"), if necessary, after the appropriate adjustments (if any) according to paragraph 8.2.2 have been made. The Successor Instrument and the date of its first application shall be published in accordance with General Condition 19 (Notices).

In this case, any reference in these Conditions to the Instrument shall, to the extent permitted by the context, be deemed to refer to the Successor Instrument.

8.2.4 Replacement of the Reference Market

If the quotation of or trading in the Instrument(s) on the Reference Market is permanently discontinued while a quotation or trading is started up or maintained concurrently on another market (the "**Substitute Reference Market**"), the Calculation Agent shall be entitled to stipulate the

Substitute Reference Market as the relevant Reference Market via publication in accordance with General Condition 19 (Notices).

In the case of such a substitution, any reference in these Conditions to the Reference Market thereafter shall be deemed to refer to the Substitute Reference Market.

The adjustment described above shall be published in accordance with General Condition 19 (Notices) within the three-month period following the permanent discontinuation of the quotation of or trading in the Instrument on the Reference Market.

8.2.5 Additional adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if, in relation to a Basket Component, an adjustment (as described in paragraphs VIII.8.2.1 to 8.2.4) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Fixed Rate or Derivative Instrument Linked Condition in relation to each of such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged, to either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent at its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

8.2.6 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 8.2 (Adjustment Events), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices) stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

8.2.7 Early Termination due to an Adjustment Event

If the Calculation Agent determines that no adjustment as described in paragraphs 8.2.1 to 8.2.5 above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the

transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

8.3 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is published by the Reference Market on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or Entitlement regarding the Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

8.4 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no adjustment as described in paragraph (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

8.5 Definitions

The following terms and expressions shall have the following meanings in respect of Fixed Income Instrument Linked Products and Derivative Instrument Linked Products and each Underlying which is a Fixed Income Instrument or Derivative Instrument:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Adjustment Event**" means each of the events described in Underlying Specific Condition 8.2 (Replacement of the Reference Market) of these Fixed Income Instrument and Derivative Instrument Linked Conditions.

"**Basket Component**" means each Instrument composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority

with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of an Instrument or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Closing Price**" means, on any day in respect of an Instrument, the official closing price of such Instrument on the Reference Market as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the Fixed Income Instrument and Derivative Instrument Linked Conditions.

"**Delisting**" means, in respect of an Instrument, that the relevant Reference Market announces that pursuant to the rules of such Reference Market, such Instrument ceases (or will cease) to be listed, traded or publicly quoted on the Reference Market for any reason and is not immediately re-listed, re-traded or re-quoted on a market or quotation system located in the same country as the Reference Market (or, where the Reference Market is within the European Union, in any Member State of the European Union).

"**Derivative Instrument**" means, subject to adjustment in accordance with these Fixed Income Instrument and Derivative Instrument Linked Conditions, each instrument specified as such in the Issue Terms.

"**Disrupted Day**" means, in respect of an Instrument, any Scheduled Trading Day on which a relevant Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Early Closure of the Reference Market**" means, in respect of an Instrument, the closure on any Trading Day of the Reference Market prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Market at least one hour prior to the actual closing time for the regular trading session on the Reference Market on such Trading Day.

"**Fixed Income Instrument**" means, subject to adjustment in accordance with these Fixed Income Instrument and Derivative Instrument Linked Conditions, each fixed income instrument specified as such in the Issue Terms.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent, any of its affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Fixed Income Instruments and/or Derivative Instruments in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Fixed Income Instruments and/or Derivative Instruments.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Instrument**" means a Fixed Income Instrument or Derivative Instrument, as the case may be.

"**Intraday Price**" means, in respect of an Instrument and any relevant time on any relevant day, the price at which such Instrument trades on the relevant Reference Market at such time on such day, as determined by the Calculation Agent.

"**Level**" means, in respect of an Instrument and any relevant day, one of the following as specified in the Issue Terms in respect of such Instrument and such day or any other price as specified in the Issue Terms:

a. Opening Price;
b. Closing Price; or
c. Screen Rate; or
d. Intraday Price,

which will be specified either as

(i) a percentage; or

(ii) an amount determined by multiplying the applicable price pursuant to a. through d. with the face amount or nominal amount, however described, of such Instrument,

as specified in the Issue Terms generally or with respect to certain uses of the Level under the Conditions only.

"**Market Disruption Event**" means, in respect of an Instrument, the occurrence or existence of any of the following:

a. the suspension or absence of the announcement of a price of an Instrument relevant for the Products on the Reference Market;
b. the suspension or limitation of trading (the latter of which the Calculation Agent determines is material in respect of the Products) (i) of such Instrument on the Reference Market, (ii) in futures or options contracts relating to such Instrument on a futures exchange where such contracts are usually traded or (iii) due to a directive of an authority or the Reference Market or due to a moratorium on banking activities in the country where the Reference Market is located, or due to any other reasons;
c. the Early Closure of the Reference Market;
d. at any time, an event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to obtain market values for such Instrument, (ii) to sell or transfer such Instrument or to exercise the rights conveyed by such Instrument or (iii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Instrument on a futures exchange where such contracts are usually traded;
e. any event other than those listed at paragraphs (a) to (d) of this definition of Market Disruption Event which, in its consequences, is commercially comparable to those events;

f. the suspension or limitation of banking activities in the country where the Reference Market is located and which the Calculation Agent determines is material in respect of the Products; or
g. an Illiquidity Event.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**Opening Price**" means, on any day in respect of an Instrument, the official opening price of such Instrument on the Reference Market on the relevant day, as determined by the Calculation Agent subject as provided in the Fixed Income Instrument and Derivative Instrument Linked Conditions.

"**Reference Market**" means the reference market specified as such in the Issue Terms ., provided that a Screen Page specified in respect of the Underlying in the Issue Terms shall be deemed to be a Reference Market for the purposes of these Fixed Income Instrument and Derivative Instrument Linked Conditions, subject to applying the references to the Reference Market to the extent applicable for a Screen Rate.

"**Relevant Time**" means the time specified as such in the Issue Terms.

"**Relevant Underlying Price**" means, in respect of an Instrument, a price for such Instrument, as determined and published by the Reference Market, which is relevant for the Products.

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

"**Scheduled Trading Day**" means, in respect of an Instrument, any day on which the Reference Market is scheduled to open for trading during its regular trading sessions.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Screen Page**" means the screen page or "Fixing Page" specified as such in the Issue Terms.

"**Screen Rate**" means, on any day in respect of an Instrument, the relevant price, rate or quotation of such Instrument displayed on the relevant Screen Page as of the Relevant Time on the relevant day, as determined by the Calculation Agent, subject as provided in thes Fixed Income Instrument and Derivative Instrument Linked Conditions.

"**Trading Day**" means, in respect of an Instrument, any Scheduled Trading Day on which the Reference Market is open for trading during its regular trading sessions, notwithstanding any such Reference Market closing prior to its Scheduled Closing Time.

"**Underlying Trading Day**" means, in respect of an Instrument, a Trading Day for such Instrument.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation

Agent is required under the Conditions to determine the level of an Instrument, in each case, subject to adjustment in accordance with these Fixed Income Instrument and Derivative Instrument Linked Conditions.

"**Valuation Time**" means, in respect of an Instrument, the time at which the official closing price of such Instrument is calculated on and published by the Reference Market. If the Reference Market closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

9. ETF Linked Conditions

The provisions of these Underlying Specific Conditions 9 (ETF Linked Conditions) shall apply to ETF Linked Products in respect of each Underlying which is an ETF Share.

9.1 Consequences of Disrupted Days

9.1.1 Single Fund and Underlying Valuation Dates

Where the Products relate to a single ETF Share (and if the Issue Terms specify that this provision shall apply to particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the ETF Share on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the ETF Share in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 9.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 9.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

9.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless the 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and

b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 9.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 9.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

9.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of the Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more ETF Shares in the basket (each such ETF Share an "**Affected ETF Share**" in respect of such Underlying Valuation Date);
b. in respect of each ETF Share in the basket that is not an Affected ETF Share, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected ETF Share, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected ETF Share(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 9.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected ETF Share may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected ETF Share or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in

accordance with paragraph 9.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

9.2 Potential Adjustment Events and Extraordinary Events

9.2.1 Consequences of a Potential Adjustment Event

If the Calculation Agent determines that a Potential Adjustment Event has occurred or is likely to occur and such Potential Adjustment Event Adjustment has a diluting or concentrative effect on the theoretical value of an ETF Share, the Issuer and/or Calculation Agent may (but is not obliged to):

a. make the corresponding adjustment(s), if appropriate, to the Conditions as the Calculation Agent determines appropriate to account for that diluting or concentrative effect; and
b. determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event and exchange contracts on the ETF Shares that are traded on such Related Exchange; or
c. if the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 9.2.3) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

Any adjustment made by the Issuer and/or Calculation Agent pursuant to this paragraph 9.2.1 shall be notified to Investors, stating the relevant adjustment and the effective date of such adjustment, in accordance with General Condition 19 (Notices).

9.2.2 Consequences of an Extraordinary Event

a. If the Calculation Agent determines that an Extraordinary Event has occurred, the Issuer and/or Calculation Agent may (but is not obliged to):

(i) undertake those adjustments to variables that it considers to be appropriate, as the case may be, regarding the calculation methods, the settlement or payment or other terms in respect of the Products to account for the effects of such Extraordinary Event in respect of the Products and (B) determine the effective date of these adjustments; or

(ii) if the Calculation Agent determines that no adjustment that it could make pursuant to paragraph 9.2.2 (i) above leads to a commercially reasonable result, then the Calculation Agent may select:

(A) another fund that is in the same currency and has the same investment objective as the relevant Fund (the "**Replacement Fund**"); and

(B) the applicable day (the "**Fund Replacement Date**") for the replacement of the relevant Fund with the Replacement Fund (the Calculation Agent may set the Fund

Replacement Date as any date, including any date before the occurrence of the relevant Extraordinary Event or the Issue Date),

in which case, (I) the Replacement Fund replaces the Relevant Fund on the Fund Replacement Date, (II) references herein to the Fund are deemed, from the Fund Replacement Date, to be references to the Replacement Fund and (III) the Issuer and/or Calculation Agent in its discretion undertakes the appropriate adjustments to variables that it considers to be appropriate, as the case may be, regarding the calculation methods, the valuation, settlement or payment terms in respect of the Products to account for such substitution; or

b. If the Calculation Agent determines that no adjustment as described in (a) above (or in paragraph 9.2.3 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

Any adjustment made by the Issuer and/or Calculation Agent pursuant to this paragraph 9.2.2 shall be notified to Investors, stating the relevant adjustment and the effective date of such adjustment, in accordance with General Condition 19 (Notices).

9.2.3 Additional Adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if, in relation to a Basket Component, an adjustment (as described in ETF Linked Condition 9.2) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such ETF Linked Condition in relation to each of such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

9.2.4 Notice of Adjustments

Upon making any such adjustment pursuant to this Underlying Specific Condition 9.2 (Potential Adjustment Events and Extraordinary Events), the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

9.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Issuer and/or Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event (including adjustments to account for changes in volatility, expected dividends or liquidity relevant to the Fund); or
b. if the Calculation Agent determines that no adjustment as described in paragraph (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

Any adjustment made by the Issuer and/or Calculation Agent pursuant to this ETF Linked Condition 9.3 shall be notified to Investors, stating the relevant adjustment and the effective date of such adjustment, in accordance with General Condition 19 (Notices).

9.4 Correction of Prices

In the event that a Relevant Underlying Price is subsequently corrected and the correction (the "**Corrected Price**") is published by the Exchange on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Underlying Price, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Price, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Price. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

9.5 Definitions

The following terms and expressions shall have the following meanings in respect of ETF Linked Products and each Underlying which is an ETF Share:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Basket Component**" means each ETF Share composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of an ETF Share or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Closing Price**" means, on any day in respect of an ETF, the official closing price of such ETF on the Exchange as of the Valuation Time on the relevant day, as determined by the Calculation Agent subject as provided in the ETF Linked Conditions.

"**Constitutional Document(s)**" means, in respect of a Fund, the document(s) constituting the Trust.

"**Delisting**" means, in respect an ETF Share, that such ETF Shares cease or have ceased to be admitted to trade on the Exchange and that such ETF Shares have not been admitted to trade on another Exchange that the Calculation Agent considers to be a suitable substitute Exchange.

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

"**Early Closure**" means, in respect of an ETF Share, the closure on any Exchange Business Day of one or more relevant Exchange(s) or one or more Related Exchange(s) prior to the Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or Related 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) or 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.

"**ETF**" means an exchange traded fund.

"**ETF Share**" mean, in respect of a Fund, the shares or units of such Fund specified as such in the Issue Terms, subject to replacement in accordance with these ETF Linked Conditions.

"**Exchange**" means, in respect of an ETF Share, the exchange or the quotation system specified as such in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such ETF Share has temporarily relocated (provided that the Calculation Agent has determined in its discretion that there is comparable liquidity relative to such ETF Share on such temporary substitute exchange or quotation system as on the original Exchange).

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

"**Exchange Disruption**" means, in respect of an ETF Share, an event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to (a) effect transactions in such ETF Shares or obtain market values on the Exchange for

such ETF Shares or (b) effect transactions in, or obtain market values for, futures or options contracts on such ETF Share on a relevant Related Exchange.

"**Extraordinary Event**" means, in respect of an ETF Share, each of (a) an Insolvency in respect of the Fund, its Management Company or a depository or another of the Fund's service providers, (b) a Merger Event, (c) a Delisting or (d) a Termination of the Trust in respect of the related Fund.

"**Fund**" means, in respect of an ETF Share, the issuer of such ETF Share as specified in the Issue Terms, subject to replacement in accordance with these ETF Linked Conditions.

"**Fund Reference Index**" means the index specified as such in the Issue Terms.

"**Fund Reference Index Sponsor**" means the sponsor of the Fund Reference Index, as specified in the Issue Terms.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent, any of their affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the ETF Shares in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the ETF Shares.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Insolvency**" means, in respect of a relevant entity, that such entity:

a. is wound up (other than pursuant to a consolidation, amalgamation or takeover);
b. becomes insolvent, is unable or fails to pay its debts or admits in writing its inability generally to pay its debts as they become due;
c. makes a general assignment, arrangement or composition with or for the benefit of its creditors;
d. either:

    (i) institutes or has instituted against it a petition by a regulator, regulatory body or other body with primary responsibility for insolvency, restructuring or supervision in the country in which its head office is registered or established, whereby a judgment is sought for insolvency or bankruptcy or any other relief affecting creditors' rights or a petition is presented for its winding-up or liquidation by itself or such regulator, regulatory body or such similar body; or

(ii) has brought a petition against itself seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or applicable relief affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and the petition or other application is instituted or made by a person or agent that is not named under (d)(i) of this definition of Insolvency and either:

(A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

(B) is not dismissed, discharged, stayed or restrained in each case within fifteen calendar days of the institution or presentation thereof;

e. has passed a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
f. seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, Trustee, custodian or other similar official for it or for all or substantially all its assets;
g. has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen calendar days thereafter;
h. causes or is subject to any event with respect to which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (g) of this definition; or
i. takes actions that promote any of the foregoing processes or agrees to, consents to or permits the same.

"**Intraday Price**" means, in respect of an ETF and any relevant time on any relevant day, the price at which such ETF trades on the relevant Exchange at such time on such day, as determined by the Calculation Agent.

"**Level**" means, in respect of an ETF Share and any relevant day, one of the following as specified in the Issue Terms in respect of such ETF Share and such day or any other price as specified in the Issue Terms:

a. Closing Price;
b. Intraday Price; or
c. Opening Price.

"**Management Company**" means, in respect of an ETF Share and the related Fund, the management company specified as such in the Issue Terms.

"**Market Disruption Event**" means, in respect of an ETF Share, the occurrence or existence of:

a. a Trading Disruption or an Exchange Disruption, which in either case the Calculation Agent regards as material in respect of the Products, at any time during the one-hour period immediately before the relevant Valuation Time;
b. an Early Closure; or
c. an Illiquidity Event: or

d. the occurrence of any other event that, in the opinion of the Calculation Agent in its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for such ETF Shares,

PROVIDED THAT, if in respect of an event that would otherwise be a Market Disruption Event occurs only two hours prior to the time of the actual closing time for the regular trading session on the relevant Exchange(s) or Related Exchange(s) on the relevant Exchange Business Day, the Calculation Agent may determine that such event is not considered material in respect of the relevant ETF Share. In such case such event shall not be a Market Disruption Event in respect of such ETF Share and, in respect of the relevant day, the Calculation Agent shall use the corresponding level of such ETF Share and the immediately preceding Scheduled Trading Day.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

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

"**Merger Event**" means, in respect of an ETF Share, any of:

a. reclassification or other change to the Fund that results in a transfer of or an irrevocable commitment to transfer all such ETF Shares outstanding to another entity or person;
b. a consolidation, amalgamation or binding unit exchange of the Fund with or into another entity or person (other than a consolidation, amalgamation or binding unit exchange in which such Fund is the continuing entity and which does not result in a reclassification or change of all such ETF Shares outstanding);
c. takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETF Shares that results in a transfer of or an irrevocable commitment to transfer all such ETF Shares (other than such ETF Shares owned or controlled by such other entity or person); or
d. consolidation, amalgamation or binding unit exchange of the Fund or its affiliates with or into another entity in which the Fund is the continuing entity and which does not result in a reclassification or change of all such ETF Shares outstanding but results in the outstanding ETF Shares (other than ETF Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent of the outstanding ETF Shares immediately following such event in each case if the Merger Date is on or before the Final Fixing Date.

"**NAV**" means, in respect of an ETF Share, the net asset value calculated in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of such ETF.

"**Opening Price**" means, on any day in respect of an ETF, the official opening price of such ETF on the Exchange on the relevant day, as determined by the Calculation Agent subject as provided in the ETF Linked Conditions.

"**Potential Adjustment Event**" means, in respect of an ETF Share and the related Fund, the occurrence of any of the following events:

a. a subdivision, consolidation or reclassification of ETF Shares (unless resulting in a Merger Event) or a free distribution or dividend of such ETF Shares to existing holders by way of bonus, capitalisation or similar issue;
b. a distribution, issue or dividend to existing holders of ETF Shares of:

   (i) such ETF Shares;

   (ii) other participation rights or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such ETF Shares;

   (iii) participation rights or securities of another unit issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction; or

   (iv) any other type of securities, rights or options or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

c. a distribution per ETF Share which the Calculation Agent determines to be characterised as an extraordinary dividend;
d. a call by the Fund in respect of ETF Shares that are not fully paid;
e. a repurchase by the Fund or any of its affiliates of ETF Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
f. an event occurs that results in any shareholder rights being distributed or becoming separated from shares of common stock other units of the Fund pursuant to a shareholder rights plan or similar 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 exercise of such rights;
g. the NAV, as calculated by or on behalf of the ETF is not calculated or announced in respect of any Scheduled Trading Day within the time period that the Calculation Agent would ordinarily expect such NAV to be available in respect of such day;
h. the Denomination Currency is changed and now differs from the Denomination Currency as at the Initial Fixing Date;
i. any other circumstances that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of such ETF Shares or on the NAV; or
j. an adjustment to the calculation terms of exchange contracts in respect of such ETF Shares that are traded on a Related Exchange.

"**Related Exchange(s)**" means, in respect of an ETF Share, those options or futures exchanges on which options or futures contracts are regularly traded on the units of the Fund, as determined by the Calculation Agent, and (in each case) any successor to such exchange or quotation system or any substitute exchange or quotation system where trading is temporarily carried out in futures or options contracts on such ETF Shares (to the extent as determined by the Calculation Agent on the temporary substitute exchange or quotation system the liquidity for the futures and options contracts on ETF Shares is comparable with the liquidity of the original Related Exchange.)

"**Relevant Underlying Price**" means, in respect of an ETF Share, a price for such ETF Share, as determined and published by the Exchange, which is relevant for the Products.

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

"**Scheduled Trading Day**" means, in respect of an ETF Share, (a) a day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, or (b) any day on which the NAV is scheduled to be calculated and announced in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the ETF Share.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Termination of the Trust**" means, in respect of a Fund, where pursuant to the Constitutional Document(s) the Trust has been terminated or amended in another way, including (but not limited to):

a. the rescission of the Constitutional Document(s) by the Management Company or the Trustee or the termination of the calculation and publication of the Fund Reference Index by the Fund Reference Index Sponsor;
b. a decision of a competent authority on the rescission or cancellation of the Constitutional Document(s) or the Trust; and/or
c. a decision of a competent authority on the (i) rescission or suspension of the applicable licence of the Management Company that is necessary for the administration of the Fund or (ii) unwinding of the Management Company.

Throughout the life of a Fund the replacement of the Management Company or the substitution of the Trustee by a substitute Trustee shall not lead to the Termination of the Trust and any such replacement investment Management Company and any such substitute Trustee shall be regarded as the Management Company or Trustee as from the date on which such replacement or substitution takes effect.

"**Trading Disruption**" means, in respect of an ETF Share, a suspension of or limitation imposed on trading by the 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 (a) relating to ETF Shares on the Exchange, (b) in futures or options contracts on the ETF Shares on a relevant Related Exchange or (c) in ETF Shares or other securities of an ETF in respect of the relevant Funds Reference Index on the Exchange or a Related Exchange, if in any of these cases the Calculation Agent determines in its discretion that such suspension or limitation is material.

"**Trust**" means, in respect of an ETF Share and the related Fund, the trust which constitutes the Fund or the company or another vehicle under which the ETF Shares are issued by the Fund.

"**Trustee(s)** " means the trustees for the beneficial owners of the Fund.

"**Underlying Trading Day**" means, in respect of an ETF Share, an Exchange Business Day for such ETF Share.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Fund, in each case, subject to adjustment in accordance with these ETF Linked Conditions.

"**Valuation Time**" means, in respect of an ETF Share, the time at which the Exchange calculates and publishes the official closing price of such ETF Share. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time falls after the actual closing time for the regular trading session, the Valuation Time means the time of the actual close of trading.

10. Fund Linked Conditions

The provisions of these Underlying Specific Conditions 10 (Fund Linked Conditions) shall apply to Fund Linked Products in respect of each Underlying which is a Fund Unit.

10.1 Consequences of Disrupted Days

10.1.1 Single Fund and Underlying Valuation Dates

Where the Products relate to a single Fund Unit (and if the Issue Terms specify that this provision shall apply to particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Fund Unit on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Fund Unit in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 10.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 10.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

10.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 10.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 10.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

10.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Fund Units in the basket (each such Fund Unit an "**Affected Fund Unit**" in respect of such Underlying Valuation Date);
b. in respect of each Fund Unit in the basket that is not an Affected Fund Unit, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Fund Unit, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Fund Unit(s) in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 10.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Fund Unit may be postponed until the

earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Fund Unit or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 10.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

10.2 Adjustments

10.2.1 Consequences of a Potential Adjustment Event

If the Calculation Agent determines that a Potential Adjustment Event has occurred or is likely to occur, the Issuer and/or Calculation Agent may (but is not obliged to), if the Calculation Agent determines in its discretion, that such event is material and adversely affects the relevant Fund Unit or the calculation of the NAV of such Fund Unit:

a. make any adjustments to any calculation methods, values or terms in respect of the Products that they determine at their discretion to be necessary to account for such Potential Adjustment Event; and/or
b. select, by using reasonable efforts for a period of no longer than five (5) Business Days, one or more suitable alternative funds with reasonably similar investment mandates (each a "**Replacement Fund**") and replace the Fund by such Replacement Fund, subject to the satisfaction of all of the following suitability criteria:

   (i) the Issuer and/or Calculation Agent can trade at net asset value or at bid price in the fund with no direct or indirect fee, levy or other charge whatsoever, including subscription or redemption penalties applicable, or potentially applicable, to any such trading or any interest so acquired;

   (ii) the fund (or a relevant manager) publishes the fund's net asset value or bid price on a daily basis; and

   (iii) the Hedging Entity is able to fully hedge its position with respect to the Replacement Fund as at the date on which the Issuer and/or Calculation Agent elects to replace the Fund with the Replacement Fund; or

c. if the Calculation Agent determines that no adjustment as described in paragraph (a) above (and paragraph 10.2.2 below) would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

If the Issuer and/or Calculation Agent elects to replace a Fund with a Replacement Fund, any reference to such Fund in these Fund Linked Conditions shall, to the extent appropriate, be deemed to refer to such Replacement Fund.

Any adjustment made by the Issuer and/or Calculation Agent pursuant to this Underlying Specific Condition 10.2 ("Adjustments")shall be notified to Investors, stating the relevant adjustment and the effective date of such adjustment, in accordance with General Condition 19 (Notices).

10.2.2 Additional Adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if, in relation to a Basket Component, an adjustment (as described in Underlying Specific Condition 10.2 (Adjustments)) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Fund Linked Condition in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

10.2.3 Notice of Adjustments

Upon making any such adjustment pursuant to this Fund Linked Condition 10.2, the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

10.3 Correction of Values

In the event that a Relevant Value is subsequently corrected and such correction (the "**Corrected Value**") is published on behalf of such Fund on or before the Business Day prior to the next date on which any relevant payment or delivery may have been made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Value, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Value, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Value. The adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

10.4 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no adjustment as described in paragraph (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

10.5 Definitions

The following terms and expressions shall have the following meanings in respect of Fund Linked Products and each Underlying which is a Fund Unit:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Basket Component**" means each Fund Unit composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Fund Unit or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Denomination Currency**" means, in respect of a Fund Unit, the currency in which the NAV of such Fund Unit or the related Fund is published.

"**Disrupted Day**" means, in respect of a Fund Unit, a Scheduled Trading Day on which a Market Disruption Event has occurred.

"**Fund**" means, in respect of a Fund Unit, the issuer of such Fund Unit as specified in the Issue Terms, subject to replacement in accordance with these Fund Linked Conditions.

"**Fund Unit**" means, in respect of a Fund, a share or unit in such Fund, as specified in the Issue Terms, subject to replacement in accordance with these Fund Linked Conditions.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent or any of their affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Fund in a sufficient amount to meet its payment and/or delivery obligations (in whole or in part) in respect of the forthcoming payment date as a result of the insufficient liquidity of the Fund.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer´s obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Level**" means, in respect of a Fund Unit and any relevant day, the NAV in respect of such Fund Unit and such day or any other price as specified in the Issue Terms.

"**Manager**" means, in respect of a Fund, each of its manager, investment manager or any of its investment advisors.

"**Market Disruption Event**" means, in respect of a Fund Unit, any one of the following events:

a. a suspension or a failure of the announcement of the price of such Fund Unit or NAV;
b. an Illiquidity Event; or
c. the occurrence of any other event that, in the opinion of the Calculation Agent in its discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for such Fund Unit.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**NAV**" means, in respect of a Fund Unit, the net asset value calculated in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of such Fund.

"**Potential Adjustment Event**" means, in respect of a Fund Unit and the related Fund, any one of the following events:

a. a violation or change of any material terms of the offer documents or other documents prepared in connection with the marketing of the Fund or each of its constitutional documents, which, in the opinion of the Calculation Agent at its discretion, is material;
b. the main investment objective of the Fund changes;
c. the Denomination Currency is changed and now differs from the Denomination Currency as at the Initial Fixing Date;
d. the NAV, as calculated by or on behalf of the Fund is not calculated or announced in respect of any Scheduled Trading Day within the time period that the Calculation Agent would ordinarily expect such NAV to be available in respect of such day;
e. the total value of the assets managed by the Manager (including the Fund), as determined by the Calculation Agent, has decreased by 50 per cent. (either due to redemptions or decrease in value of such assets), over a period of twelve months;

f. the assets under management of the Fund, as determined by its Manager, have decreased materially, provided that a material decrease shall be deemed to have occurred in the following scenarios: (A) a decrease by thirty per cent (30%) or more during any one-month period preceding the date of such determination, or (B) a decrease by forty per cent (40%) or more during any three-month period preceding the date of such determination, or (C) a decrease by fifty per cent (50%) or more during any six-month period preceding the date of such determination;
g. the reduction of the Fund's aggregate net asset value under an amount that, in the opinion of the Calculation Agent, has, or is likely to have, a significant effect on the management conditions of the Fund or its operating expenses or would increase the proportion of Fund Units held, or likely to be held, by a hypothetical Investor to such extent that the full redemption in one single valid and timely redemption order of the Fund Units held by a hypothetical Investor or funds managed by the same, is likely to be impaired;
h. any restriction or limitation or suspension or deferral of trading of, or redemptions of or subscription for Fund Units affecting the Hedging Entity's ability to conduct its activities it deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products (including, but not limited to, the introduction or increase of any associated fee, cost or expense, or any restructure, reorganisation or action that has a similar impact to a gate or side pocket), or any mandatory redemption of Fund Units;
i. the regulatory or tax treatment applicable with respect to the Issuer, the Fund or any Manager is changed;
j. any review or investigation of the activities of the Fund or its Managers, by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof;
k. any winding-up, liquidation of, or any termination or any loss of regulatory approval, licence or registration of, a Manager, or any merger, de-merger, winding-up or liquidation of or affecting the Fund;
l. any arrangement between the Issuer and/or Calculation Agent and the Fund and/or a Manager, including arrangements relating to subscriptions in and redemptions of Fund Units, being changed or terminated;
m. the occurrence of any event that, in the opinion of the Calculation Agent at their discretion, prevents, hinders or materially impairs the Hedging Entity's ability to conduct activities it deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products;
n. the notice period for subscriptions/redemption in the Fund Unit is modified in a significant manner and/or the subscriptions and/or redemptions in Fund Units are suspended, postponed or reduced (either in whole or in part), and/or the payments of redemption proceeds to be paid in respect of a redemption order are suspended, postponed, reduced (either in whole or in part) or paid by instalments, and/or the dividend and/or redemption payments are made (either in whole or in part) in kind rather than in cash and/or the non-execution or partial execution by the Fund for any reason of a subscription or redemption order on the Fund Units; or
o. any other circumstances that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Fund Units or on the NAV.

"**Relevant Value**" means, in respect of a Fund Unit, a value for such Fund Unit, as determined and published by or on behalf of the related Fund, which is relevant for the Products.

"**Scheduled Trading Day**" means, in respect of a Fund Unit, any day on which the NAV is scheduled to be calculated and announced in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the Fund.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Trading Day**" means, in respect of a Fund Unit, any Scheduled Trading Day on which the NAV is calculated and announced in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the Fund.

"**Underlying Trading Day**" means, in respect of a Fund Unit, a Trading Day for such Fund Unit.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Fund Unit, in each case, subject to adjustment in accordance with these Fund Linked Conditions.

11. Reference Rate Linked Conditions

The provisions of these Underlying Specific Conditions 11 (Reference Rate Linked Conditions) shall apply to Reference Rate Linked Products in respect of each Underlying which is a Reference Rate.

11.1 Determination of the Reference Rate

The relevant level of the Reference Rate in respect of any Underlying Valuation Date will be determined by the Calculation Agent in its discretion on the following basis:

a. the Calculation Agent will, in its discretion, determine the relevant level of the respective Screen Rate which appears on the relevant Screen Page, or, in respect of any Overnight Reference Rate, the Compounded Overnight Rate, as of the Relevant Time on the relevant Underlying Valuation Date;

b. if, in respect of an Underlying Valuation Date and a Screen Rate, the Calculation Agent determines that the relevant level of the Reference Rate does not appear on the relevant Screen Page or the relevant Screen Page is unavailable, the Calculation Agent will:

   (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of such Reference Rate at approximately the Relevant Time on such Underlying Valuation Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

   (ii) determine the arithmetic mean of such quotations (rounded upward or downwards, if necessary, to the Quotation Rounding),

   provided that if fewer than two such quotations are provided as requested under paragraph 11.1 above, then the Calculation Agent shall determine its estimate of the relevant level of the Reference Rate in respect of such Underlying Valuation Date in its discretion, taking into account the market circumstances prevailing on such day (any such determination made pursuant to this Reference Rate Linked Condition 11.1a. shall be notified to Investors in accordance with General Condition 19 (Notices); or

c. if the Calculation Agent has determined, in its discretion, that an Underlying Event has occurred, notwithstanding the provisions above in paragraphs 11.1a. and b. above, it is entitled:

   (i) if a successor reference rate has been determined for the respective Reference Rate by a public announcement issued by the administrator of the respective Reference Rate, the competent central bank or a regulatory and/or supervisory authority or a successor administrator, to set such rate as the successor reference rate (the "**Successor Reference Rate**") and to use it instead of the respective Reference Rate on the relevant Underlying Valuation Date and on any subsequent Underlying Valuation Date for the Products. This Successor Reference Rate may include the application of an Adjustment Spread as determined by the Calculation Agent;

   (ii) if a Successor Reference Rate has not been determined by such announcement, to set as the successor reference rate a rate which is comparable to the respective Reference Rate at its discretion and taking into account market practices (the "**Successor Reference Rate**") and to use such Successor Reference Rate on the relevant Underlying Valuation Date and any subsequent Underlying Valuation Date for the Products, where, if the Calculation Agent determines that an appropriate rate exists which is generally accepted in the financial sector

as the Successor Reference Rate for the respective Underlying and/or Basket Component, it will set such rate as the Successor Reference Rate for the Products and will use that Successor Reference Rate for the Products on the relevant Underlying Valuation Date and any subsequent Underlying Valuation Date, provided that, (1) in the event of an Overnight Reference Rate, to the extent that any event occurs that leads to the application of a fallback rate as defined in the relevant definitions applicable to the Overnight Reference Rate, such fallback rate shall be deemed to be a Reference Rate and no Underlying Event shall be deemed to be have occurred for these purposes and (2) in the event that a Successor Reference Rate is determined by the Calculation Agent pursuant to subparagraphs (i) or (ii) above, the Calculation Agent shall be entitled to determine in its discretion the method for periodically determining the amount of the Successor Reference Rate and, if necessary, to make adjustments to the provisions of the Conditions on which the Products are based with respect to the calculation of the Successor Reference Rate and the Coupon and the redemption of the Products in general, including the possible application of an Adjustment Spread to the Successor Reference Rate, or the possible adjustment, or addition, of a spread (either positive or negative) or fraction applied to the Successor Reference Rate. The determination of a Successor Reference Rate and any adjustments to the Conditions on which the Products are based pursuant to the preceding paragraphs as well as the respective effective dates thereof shall be announced by the Calculation Agent in accordance with General Condition 19 (Notices).

d. if the Calculation Agent determines that (i) no determination as described in (a) above would be possible or would achieve a commercially reasonable result; or (b) in the case of an Underlying Event, it is not possible to determine a Successor Reference Rate, the Calculation Agent may determine, in its discretion, either:

    i. that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices); or

    ii. that the original Reference Rate will continue to apply, based on the last available Level.

11.2 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no determination as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount

in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

11.3 Correction of Rates

In the event that a Relevant Rate in respect of Reference Rates other than any Overnight Reference Rate is subsequently corrected and the correction (the "**Corrected Rate**") is displayed on the relevant Screen Page on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Rate, then the Calculation Agent shall be entitled to determine the amount payable or the Entitlement regarding any Delivery of Underlying or make any such determination in connection with the Products after taking into account such Corrected Rate, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Rate. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

11.4 Definitions

The following terms and expressions shall have the following meanings in relation to Reference Rate Linked Products and each Underlying which is a Reference Rate:

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Adjustment Spread**" means that if the Calculation Agent determines that (i) an Adjustment Spread is required to be applied to the Successor Reference Rate and (ii) the quantum of, or a formula or methodology for determining such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Reference Rate (as the case may be) for each subsequent determination of a Relevant Rate (or a relevant component thereof) by reference to such Successor Reference Rate (as applicable).

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of positions, contracts, instruments or arrangements in relation to a Reference Rate or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Compounded Overnight Rate**" means, in respect of a Reference Rate that is an Overnight Reference Rate, on any day for which the Compounded Overnight Rate must be determined, the rate compounded by the Calculation Agent according to the "Compounding with Observation Period Shift" method, provided that all terms as defined in the General Terms and Conditions shall apply, unless otherwise defined in these Underlying Specific Conditions 11 ("Reference Rate Linked Conditions")."**Compounding with Observation Period Shift**" means, in respect of the relevant date for which the Compounded Overnight Rate must be determined, the rate of return of a daily compound interest investment calculated in accordance with the formula below (where the

reference rate for the calculation of interest is the relevant Overnight Reference Rate) and the resulting percentage will be rounded, if necessary, in accordance with the method set out in General Condition VII.5.2 (Rounding), but to the nearest percentage point specified for the relevant Overnight Reference Rate, provided that all terms as defined in the General Terms and Conditions shall apply, unless otherwise defined in these Underlying Specific Conditions 11 (Reference Rate Linked Conditions):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{Benchmark Level}_i \times n_i}{\text{Day Count Basis}}\right)-1\right]\times\frac{\text{Day Count Basis}}{d}$$

where:

"**d_0**" is the number of Applicable Business Days in the Observation Period;

"**i**" is a series of whole numbers from 1 to d_0, each representing the relevant Applicable Business Day in chronological order from, and including, the first Applicable Business Day in the Observation Period;

"**Benchmark Level$_i$**" means, in respect of any Applicable Business Day$_i$, the rate determined as the Overnight Reference Rate as if such Applicable Business Day$_i$ were a Reset Date for the purpose of such Overnight Reference Rate;

"**n_i**" is the number of calendar days from, and including, the day "i" to, but excluding, the earlier of (a) the next Applicable Business Day, and (b) the Standard Observation Period End Date for the Observation Period;

"**Day Count Basis**" is, in respect of an Overnight Reference Rate, the denominator of the Day Count Fraction;

"**d**" is the number of calendar days in the Observation Period;

"**Observation Period**" means, for any Calculation Period, the period from, and including, the date "s" Observation Period Shift Business Days preceding the first calendar day of the Calculation Period (and the first Observation Period shall begin on and include the date "s" Observation Period Shift Business Days prior to the Effective Date) to, but excluding, the date "s" Observation Period Shift Business Days preceding the Period End Date at the end of the Calculation Period (or, in respect of the final Observation Period, to, but excluding, the date "s" Observation Period Shift Business Days preceding the Final Coupon Period End Date) (the "Standard Observation Period End Date");

"**Observation Period Shift Additional Business Day**" means a business day in the financial centres, if any, specified for such purpose in the Issue Terms;

"**Observation Period Shift Business Day**" means a day which is both an Applicable Business Day and an Observation Period Shift Additional Business Day;

"s" is:

(i) the number specified as the "Observation Period Shift" in the Issue Terms;

(ii) if a number is not specified for the purpose of the "Observation Period Shift" in the Issue Terms, the number (if any) specified as the "Observation Period Shift" for the relevant Overnight Reference Rate; or

(iii) if a number is not specified for the purpose of the "Observation Period Shift" in the Issue Terms or in respect of the relevant Overnight Reference Rate, five;

"**Fixing Page**" means the Screen Page.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent, any of its affiliates or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer´s obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Level**" means, in respect of a Reference Rate and any relevant day, the Screen Rate or the Compounded Overnight Rate, as applicable, in respect of such Reference Rate and such day or any other price as specified in the Issue Terms.

"**Overnight Reference Rate**" means each of CHF-SARON, EUR-EuroSTR, GBP-SONIA, JPY-TONA, SGD-SORA and USD-SOFR or such other Overnight Rate that is chosen as Reference Rate in the Issue Terms, provided that all terms as defined in the General Terms and Conditions shall apply, unless otherwise defined in these Underlying Specific Conditions 11 ("Reference Rate Linked Conditions").

"**Quotation Rounding**" means the rounding specified as such in the Issue Terms.

"**Reference Banks**" means the major banks selected by the Calculation Agent, in its discretion, in the Relevant Financial Centre.

"**Reference Rate**" means, subject to adjustment in accordance with these Reference Rate Linked Conditions, each interest rate or reference rate specified as such in the Issue Terms.

"**Relevant Financial Centre**" means the city specified as such in the Issue Terms.

"**Relevant Rate**" means, in respect of a Reference Rate, a rate for such Reference Rate, as displayed on the Screen Page, or, in respect of any Overnight Reference Rate, the Compounded Overnight Rate, which is relevant for the Products.

"**Relevant Time**" means the time specified as such in the Issue Terms.

"**Screen Page**" means the screen page or "Fixing Page" specified as such in the Issue Terms.

"**Screen Rate**" means, on any day in respect of a Reference Rate other than an Overnight Reference Rate, the relevant rate of such Reference Rate displayed on the relevant Screen Page as of the Relevant Time on the relevant day, as determined by the Calculation Agent subject as provided in these Underlying Specific Conditions 11 (Reference Rate Linked Conditions).

"**Underlying Event**" means

(a) any permanent and final termination of the determination, provision or publication of the relevant Reference Rate by any administrator in circumstances where no successor administrator exists, or any other permanent and final discontinuation of the existence of the respective Underlying and/or Basket Component; or

(b) a material change in the methodology of determining or calculating the relevant rate of the respective Reference Rate as compared to the methodology used at the Issue Date if such change results in the respective rate, calculated in accordance with the new methodology, no longer representing, or being apt to represent adequately, the (original) rate or in terms of economic substance no longer being comparable to the (original) rate determined or calculated in accordance with the methodology used at the Issue Date; or

(c) the applicability of any law or any other legal provision, or of any administrative or judicial order, decree or other binding measure, pursuant to which the relevant rate may no longer be used to determine the payment obligations under the Products, or pursuant to which any such use is subject to not only immaterial restrictions or adverse consequences; or

(d) the payment obligations under the Products, or pursuant to which any such use is subject to not only immaterial restrictions or adverse consequences; or

(e) a public statement by the administrator of the Reference Rate that it will, by a specified date within the following six months, cease publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Reference Rate); or

(f) a public statement by the supervisor of the administrator of the Reference Rate, that the Reference Rate has been or will be permanently or indefinitely discontinued; or

(g) a public statement by the supervisor of the administrator of the Reference Rate as a consequence of which the Reference Rate will be prohibited from being used either generally, or that its use will be subject to restrictions which would not allow its further use in respect of the Products; or

(h) that a decision to withdraw the authorisation or registration pursuant to Article 35 of the 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 (the "**Benchmark Regulation**") of any administrator previously authorised to publish the Reference Rate has been adopted.

"**Underlying Trading Day**" means, in respect of a Reference Rate, a Business Day.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date

and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Reference Rate, in each case, subject to adjustment in accordance with these Reference Rate Linked Conditions.

12. Crypto Asset Linked Conditions

The provisions of these Underlying Specific Conditions 12 (Crypto Asset Linked Conditions) shall apply to Crypto Asset Linked Products in respect of each Underlying which is a Crypto Asset.

12.1 Consequences of Disrupted Days

12.1.1 Single Crypto Asset and Underlying Valuation Dates

Where the Products relate to a single Crypto Asset (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the Crypto Asset on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the Crypto Asset in accordance with General Condition 19 (Notices).

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 12.1.1 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 12.1.1a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

12.1.2 Basket of Underlyings and Underlying Valuation Dates – Individual Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and unless 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' as opposed to 'Individual Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
b. the Calculation Agent shall determine its estimate of the relevant level of the relevant Basket Component on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of the relevant Basket Component in accordance with General Condition 19 (Notices),

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 12.1.2 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for the relevant Basket Component may be postponed until the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Basket Component or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 12.1.2a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

12.1.3 Basket of Underlyings and Underlying Valuation Dates – Common Postponement of Underlying Valuation Dates

Where the Products relate to a basket of Underlyings and where 'Underlying Valuation Dates – Adjustments for Disrupted Days' is specified as 'Common Adjustment' in respect of the basket of Underlyings in the Issue Terms (and if the Issue Terms specify that this provision shall apply to one or more particular Underlying Valuation Dates, then this condition shall apply to such Underlying Valuation Dates only), if the Calculation Agent determines that an Underlying Valuation Date is a Disrupted Day in respect of any Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of any Basket Component, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Underlying Valuation Date is a Disrupted Day in respect of any Basket Component. In that case:

a. the last consecutive Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day for one or more Crypto Assets in the basket (each such Crypto Asset an "**Affected Crypto Asset**" in respect of such Underlying Valuation Date);
b. in respect of each Crypto Asset in the basket that is not an Affected Crypto Asset, the relevant Level shall be determined in accordance with the definition of Level on such last consecutive Scheduled Trading Day; and
c. in respect of each Affected Crypto Asset, the Calculation Agent shall determine its estimate of the relevant level of such Basket Component(s) on that last consecutive Scheduled Trading Day in its discretion, taking into account the market circumstances prevailing on such day. The Issuer and/or Calculation Agent shall publish the determined level of such Affected Crypto Asset(s) in accordance with General Condition 19 (Notices),

PROVIDED THAT, if the Underlying Valuation Date is postponed in accordance with this paragraph 12.1.3 due to the occurrence of an Illiquidity Event, notwithstanding the Maximum Days of Disruption, the Underlying Valuation Date for each Affected Crypto Asset may be postponed until

the earlier of (a) the first Scheduled Trading Day on which no Illiquidity Event is in existence in respect of such Affected Crypto Asset or (b) the day that is 60 calendar days following the Scheduled Trading Day determined in accordance with paragraph 12.1.3a. above (or if such day is not a Scheduled Trading Day, the first Scheduled Trading Day following such day).

12.2 Successor Price Source Provider and Crypto Asset Adjustment Events

12.2.1 Successor Price Source Provider

a. If the Level of the Crypto Asset is (a) no longer calculated and published by the Price Source Provider or (b) is no longer available from the Price Source Provider on the same terms as agreed between the Issuer and the Price Source Provider on the relevant Initial Fixing Date, but the Level of the Crypto Asset is calculated and published by another Suitable Trading Platform acceptable to the Calculation Agent in its discretion (the "**Successor Price Source Provider**"), the Calculation Agent shall be entitled to stipulate the Successor Price Source Provider as the Price Source Provider through publication in accordance with General Condition 19 (Notices).

In the case of such a substitution, any reference in the Conditions to the Service Provider thereafter shall be deemed to refer to the Successor Price Source Provider.

b. If the Calculation Agent determines that no substitution as described in (a) above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices*)*, in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

12.2.2 Crypto Asset Adjustment Events

a. If the Calculation Agent determines that a Crypto Asset Adjustment Event has occurred in respect of a Crypto Asset, the Issuer and/or Calculation Agent will (i) make such adjustment to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of the relevant event and (B) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the timing and terms of the adjustment by reference to the corresponding adjustments to the Crypto Asset or Crypto Asset Exchange Rate made by the Price Source Provider.
b. If the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, the Calculation Agent may determine that the Issuer shall redeem the Products by giving more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

12.2.3 Additional Adjustments in respect of a Basket of Underlyings

Where the Products relate to a basket of Underlyings, if in relation to a Basket Component an adjustment (as described in Crypto Asset Linked Condition 12.2.1 and 12.2.2) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to such Crypto Asset Linked Conditions in relation to each such Basket Component (an "**Affected Basket Component**")) be entitled, but not obliged to either:

a. remove the Affected Basket Component(s) from the basket of Underlyings without replacement (and in such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the removal of the Affected Basket Component(s) and the economic effect thereof on the Products); or
b. replace the Affected Basket Component(s) in whole or in part by a new Basket Component (which may be a cash amount in the Relevant Currency representing the value of the Affected Basket Component at the time of such replacement as calculated by the Calculation Agent in its discretion) (the "**Successor Basket Component**"). In such case, the Calculation Agent may make such amendments to the Conditions as it reasonably determines are appropriate to take into account the replacement of the Affected Basket Component(s) with the Successor Basket Component. The Successor Basket Component(s) will be selected by the Calculation Agent in its discretion and the relevant characteristics thereof shall be as similar to the Affected Basket Component being replaced as far as reasonably practicable. Upon such replacement, the Successor Basket Component will be deemed to be the Basket Component and any reference in the Conditions to the Affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.

12.2.4 Notice of Adjustments

Upon making any such adjustment pursuant to this Crypto Asset Linked Condition 12.2, the Issuer and/or Calculation Agent shall give notice to the Investors in accordance with General Condition 19 (Notices), stating the relevant adjustment and giving brief details of the relevant event in respect of which such adjustment was made, provided that any failure to give such notice shall not affect the validity of the relevant event or any action taken.

12.3 Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer and/or Calculation Agent may:

a. make such adjustment(s) to the Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Products of such Additional Disruption Event; or
b. if the Calculation Agent determines that no adjustment as described in (a) above would be possible or would achieve a commercially reasonable result, determine that the Issuer shall redeem the Products by giving not more than thirty (30) Business Days' irrevocable notice in accordance with General Condition 19 (Notices), in which case the Issuer shall redeem the Products and each Investor shall be entitled to request that the Issuer initiates the transfer for the benefit of each Investor of an amount equal to the Unscheduled Early Redemption Amount in respect of each Product held by it. The termination shall become valid on the day of the notice in accordance with General Condition 19 (Notices).

12.4 Correction of Rates

In the event that a Relevant Rate is subsequently corrected and the correction (the "**Corrected Rate**") is published by the relevant Price Source Provider at any time on or before the Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Products may have to be made, which, in each case, would require the Relevant Rate, then the Calculation Agent shall be entitled to determine the amount payable or Entitlement deliverable or make any such determination in connection with the Products after taking into account such Corrected Rate, and, to the extent necessary, the Issuer and/or Calculation Agent may adjust any relevant terms of the Products to account for such Corrected Rate. Any such determination or adjustment and the date of its first application shall be published in accordance with General Condition 19 (Notices).

Notwithstanding reference in this Crypto Asset Linked Condition 12.4 to "delivery" and "Entitlement", as at the date of this Base Prospectus it is not yet possible to physically settle Products linked to Crypto Assets.

12.5 Definitions

"**Additional Disruption Event**" means each of Increased Cost of Hedging, a Change in Law and/or a Hedging Disruption, or as specified in the Issue Terms.

"**Basket Component**" means each Crypto Asset composed within a basket of Underlyings.

"**Change in Law**" means that on or after the Issue Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (i) it has become illegal to hold, acquire or dispose of a Crypto Asset or (ii) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Crypto Asset**" or "**Crypto Assets**" means the assets specified as such in the Issue Terms and subject to these Crypto Asset Linked Conditions, provided that such assets may be any (a) payment tokens, i.e. tokens intended as a means of payment that are not a digital representation of any rights that could be enforced against the issuer or third parties, or cryptocurrencies; (b) utility tokens; (c) asset tokens, or (d) hybrid tokens which may include elements of any of (a),(b) and (c). Any related expressions shall be construed accordingly.

Crypto Asset Adjustment Event" means, in respect of a Crypto Asset, the occurrence or existence of one of the following:

a. a material change in the method of calculating the Crypto Asset or the Crypto Asset Exchange Rate,
b. adjustments to the Crypto Asset or the Crypto Asset Exchange Rate by the Price Source Provider;
c. a cessation of trading in the Crypto Asset;
d. a material change in the concept of the Crypto Asset or in the technical specifications on which the Crypto Asset is based (including, but not limited to, a Fork Event or a Fork Disruption Event);

e. the introduction, cancellation or modification of a tax, fee, duty or other costs which are levied on the Crypto Asset, if this affects the price of the Crypto Asset and if such introduction, cancellation or modification takes place after the Issue Date; or
f. any other change or reason that has economic effects that are comparable to (a) to (e) in this definition of Crypto Asset Adjustment Event.

"**Crypto Asset Exchange Rate**" means, in respect of a Crypto Asset and any relevant time on any relevant day, an exchange rate per one unit of the Crypto Asset which is published by the Price Source Provider at such time on such day, as determined by the Calculation Agent subject as provided in the Crypto Asset Linked Conditions.

"**Disrupted Day**" means, in respect of a Crypto Asset, any Scheduled Trading Day on which a Market Disruption Event occurs.

"**Fork Disruption Event**" means a Fork Event in respect of which the Issuer determines either (a) that there is not one single price for the Successor Assets; or (b) to the extent that more than one price is provided for the Successor Assets, that the Price Source Provider does not unambiguously communicate publicly that it has determined one of them to be the continuation of the Price Source as it applied to the Crypto Asset prior to the Fork Event, in accordance with the existing rules and procedures applicable to the Original Blockchain or the Successor Assets (including in relation to forks).

"**Fork Event**" means that, as a result of a Protocol Change in respect of the Original Blockchain, two or more Successor Assets are available for trading simultaneously on one or more exchanges.

"**Hedging Disruption**" means that the Hedging Entity 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) the Calculation Agent deems necessary to hedge the risk of entering into and performing the Issuer's obligations arising from the Products or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Entity**" means the Issuer and/or Calculation Agent, any of their affiliate(s) or any entity (or entities) acting on behalf of the Issuer and/or Calculation Agent engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

"**Illiquidity Event**" means that the Calculation Agent determines that it is, or becomes (or is likely to become) impossible or impracticable for the Issuer and/or Hedging Entity to liquidate the Crypto Asset in a sufficient amount in respect of the forthcoming payment date as a result of the insufficient liquidity of the Crypto Asset.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer´s obligations under the relevant Products, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Level**" means, in respect of a Crypto Asset and any relevant day, the Crypto Asset Exchange Rate in respect of such Crypto Asset and such day or any other price as specified in the Issue Terms.

"**Market Disruption Event**" means (a) the occurrence of an Illiquidity Event, (b) the temporary suspension or material restriction of trading in at least one of the Crypto Asset, (c) a restriction on the convertibility of the Crypto Asset (d) that it is impossible in economic terms to obtain a rate of exchange of the Crypto Asset. A reduction in the trading period or number of trading days does not constitute a Market Disruption Event if it is the result of a previously announced change to the normal business hours of the relevant Price Source Provider. A restriction on trading imposed by the relevant Price Source Provider during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption Event if that restriction remains in place until the end of the trading period on the relevant Scheduled Trading Day.

"**Maximum Days of Disruption**" means, unless specified otherwise in the Issue Terms, eight Scheduled Trading Days.

"**Original Blockchain**" means, in respect of a Fork Event, the blockchain underlying a Crypto Asset immediately prior to such Protocol Change.

"**Price Source**" means, in respect of a Crypto Asset, the price source specified as such in the Issue Terms and, if it is not specified, the rate provided by the Service Provider.

"**Price Source Provider**" means, in respect of a Crypto Asset, to the extent a Price Source is specified in the Final Terms, the provider of such Price Source and, if no such Price Source is specified, the Service Provider.

"**Protocol Change**" means an event resulting in a technological difference between (a) the technology protocol relating to the Original Blockchain and (b) the technology protocol relating to the blockchain underlying at least one Successor Asset.

"**Relevant Rate**" means, in respect of a Crypto Asset, a rate for such Crypto Asset, as published by the Price Source Provider, which is relevant for the Products.

"**Scheduled Trading Day**" means, in respect of a Crypto Asset, any day that is both (a) a day on which the Price Source Provider normally publishes a rate for the Crypto Asset Exchange Rate and (b) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the Issuer.

"**Scheduled Underlying Valuation Date**" means, in respect of an Underlying Valuation Date, the original date specified as such in the Issue Terms that, but for the occurrence of an event causing a Disrupted Day, would have been such Underlying Valuation Date.

"**Service Provider**" means, in respect of a Crypto Asset, an entity for trading and holding/storing such Crypto Asset and that provides the relevant rate for the Crypto Asset Exchange Rate, specified as such in the Issue Terms.

"**Successor Assets**" means, in respect of a Fork Event, two or more Crypto Assets which are native to blockchains that emanate from the Original Blockchain.

"**Suitable Trading Platforms**" are trading platforms (which could be affiliated companies of the Issuer or of the Calculation Agent) which are designated as "Suitable Trading Platforms" by the Issuer in its discretion, subject to satisfying the following criteria:

a. the trading platform must publish on a continuous and regular basis (i) a bid-offer spread for an immediate sale (offer) and an immediate purchase (bid) and (ii) the most recent price paid for the Crypto Asset;
b. the activities relating to trading and/or the publication of the prices on the trading platform have not been prohibited or declared illegal by an authority that is legally responsible for that trading platform; and
c. exchanges (payments in or out) of national currencies into Crypto Assets, and vice versa, must be executed within a period of two (2) to seven (7) Business Days.

"**Underlying Trading Day**" means, in respect of a Crypto Asset, each Scheduled Trading Day on which the Price Source Provider publishes a rate for the relevant Crypto Asset Exchange Rate.

"**Underlying Valuation Date**" means each of the following (a) each Coupon Observation Date, the Initial Fixing Date, each Initial Fixing Averaging Date, the Underlying Initial Fixing Date, each Initial Lookback Observation Date, each Autocall Observation Date, each Lock-In Observation Date, each Optimal Tracker Observation Date, each Tracker Observation Date, each Final Fixing Averaging Date and the Final Fixing Date and (b) each other relevant date on which the Issuer and/or Calculation Agent is required under the Conditions to determine the level of a Crypto Asset in each case, subject to adjustment in accordance with these Crypto Asset Linked Conditions.

13. Credit Linked Products Conditions

*The following Credit Linked Conditions (the "**Credit Linked Conditions**") are applicable to all Credit Linked Products issued under this Programme by the Issuer and shall be read in conjunction with the General Terms and Conditions. In case of inconsistencies between these Credit Linked Products Conditions and the Issue Terms, the Issue Terms shall prevail.*

13.1 Types of Credit Linked Products

Credit Linked Products may be Single Name CLPs, Nth-to-Default CLPs, Portfolio CLPs, Index CLPs or such other type of Product as described in the Issue Terms (the "**Credit Linked Products**"), provided that any products referred to in the Issue Terms as "Credit Linked Notes", "Credit Linked Certificates" or "Reference Entity Certificates" shall also be deemed to be Credit Linked Products.

"**Single Name CLP**" means a Product, the payment on which is determined by reference to and/or contingent upon the occurrence of a Relevant Credit Event with respect to a single Reference Entity.

"**Nth-to-Default CLP**" means a Product, the payment on which is determined by reference to and/or contingent upon the occurrence of a Relevant Credit Event, in relation to the Nth Event Determination Date, with respect to the Reference Portfolio.

"**Portfolio CLP**" or "**Basket CLP**" means a Product, the payment on which is determined by reference to and/or contingent upon the occurrence of a Credit Event with respect to more than one Reference Entity comprising the Reference Portfolio.

"**Index CLP**" means a Product, where the Issuer purchases credit protection from the Investors in respect of an Index or a tranche of an Index.

13.2 Credit Event Determinations and consequences

13.2.1 Credit Event Determination

The Issuer may, at any point during the Notice Delivery Period (or, at any point thereafter on or prior to the Products Extension Date), deliver a Credit Event Notice (provided that (a) a Relevant Event Determination Date may only occur following the Scheduled Redemption Date where an Extension Notice has been delivered and (b) if a Credit Event Observation Period is specified as being applicable in the Issue Terms, a Credit Event has occurred at any time during the Credit Event Observation Period) in accordance with the provisions of these Credit Linked Conditions and the Issue Terms.

The Issuer's determination of a Credit Event will, in the absence of manifest error and subject to the 'Event Determination Date' definition, be conclusive and binding on all persons (including, without limitation, the Investors). The Issuer may elect in its discretion to deliver or not to deliver a Credit Event Notice and neither the Issuer nor the relevant Agent will have any liability whatsoever for the failure of the Issuer for any reason to determine that a Credit Event has occurred or with respect to the Issuer's election as to when to deliver a Credit Event Notice, Notice of Publicly Available Information or Notice of Physical Settlement, nor will they have any duty or responsibility to investigate or check whether any Credit Event has, or may have, occurred or may be continuing.

When determining Credit Events or other events with respect to the relevant Reference Entity or when applying or interpreting any provisions of the Credit Linked Conditions, including any rights of the Issuer thereunder to postpone any payment dates, the Issuer and the Calculation Agent may refer to ISDA Terms, rely on DC Resolutions of the Credit Derivatives Determinations Committee, in

particular a DC Credit Event Announcement, and the application of ISDA Terms by the Credit Derivatives Determinations Committee.

The Issuer shall be entitled to make adjustments to the Credit Linked Conditions, if this is required in case of material amendments to the ISDA Terms or specific DC Resultions to account for such amended ISDA Terms and DC Resolutions under the Products.

13.2.2 Relevant Credit Events

If a Relevant Event Determination Date has occurred in respect of a Reference Entity on or prior to the Scheduled Redemption Date, or, if applicable, the Products Extension Date, and provided that the Products have not previously been redeemed or cancelled in full then, unless otherwise specified in the Issue Terms:

a. the Calculation Amount of each Credit Linked Product shall be reduced by an amount equal to its *pro rata* share (on a per Calculation Amount basis) of the related Reference Entity Notional Amount with effect from the related Interest Expiration Date; and

b. the Issuer shall redeem each Cash Settled CLP and each Physically Delivered CLP in whole or (where the related Reference Entity Notional Amount is less than the aggregate Calculation Amount prior to reduction as set out above), in part only as to its *pro rata* share (on a per Calculation Amount basis) of the related Reference Entity Notional Amount, by payment of the Credit Event Redemption Amount on the Credit Event Redemption Date or, as applicable, by Delivery of the Deliverable Obligations Portfolio on or before the Final Delivery Date, subject to and in accordance with, the provisions of these Credit Linked Conditions and the relevant Issue Terms.

In connection with any redemption of Credit Linked Products as set out above, the Issuer shall deliver, or may cause the relevant Agent at the expense of the Issuer to deliver, a notice (a "**Credit Event Redemption Notice**") in accordance with Credit Linked Condition 13.8 (Notices) to the Investors, with a copy to the Calculation Agent and any other relevant Agent. The Credit Event Redemption Notice will:

(i) identify the Credit Linked Products to which the Credit Event Redemption Notice relates;

(ii) state the Issuer's intention to redeem the Products pursuant to Credit Linked Condition 13.3 (Redemption of Cash Settled CLPs) or 13.4 (Redemption of Physically Delivered Products), as applicable; and

(iii) if 'Issuer CLP Settlement Option' is specified as applicable in the Issue Terms, state the CLP Settlement Method that shall apply to the Products.

If a Credit Event Notice, Notice of Publicly Available Information or, if applicable, Notice of Physical Settlement specifies the information required to be specified in a Credit Event Redemption Notice, such notice will be deemed to be a Credit Event Redemption Notice.

13.2.3 Credit Event Notice after M(M)R Restructuring

Upon the occurrence of an M(M)R Restructuring:

a. the Issuer may deliver multiple Credit Event Notices with respect to such M(M)R Restructuring, each such Credit Event Notice setting forth that portion of the related Reference Entity Notional

Amount to which such Credit Event Notice applies (such amount being the "**Exercise Amount**"), provided that the Exercise Amount specified in a Credit Event Notice describing an M(M)R Restructuring must be an amount that is at least 1,000,000 units of the Settlement Currency (or, if Japanese Yen, 100,000,000 units) or an integral multiple thereof or the entire related Reference Entity Notional Amount; if no Exercise Amount is specified by the Issuer, the Exercise Amount shall be deemed to be the related Reference Entity Notional Amount; and

b. if the Issuer has delivered a Credit Event Notice that specifies an Exercise Amount that is less than such Reference Entity Notional Amount, the rights and obligations of the Issuer in respect of each Credit Linked Product, the provisions of Credit Linked Condition 13.2.2 (*Relevant Credit Events*) shall apply in respect of a portion of the Calculation Amount of each Product equal to its *pro rata* share of the Exercise Amount only.

13.2.4 Redemption Date

The Redemption Date shall be, except where an Early Redemption Date has occurred, the Scheduled Redemption Date or, where an Extension Notice is given, the Deferred Redemption Date.

13.2.5 Early Redemption Date

Upon the occurrence of an Early Redemption Date, the Investor shall receive the Liquidation Amount, as calculated in respect of the Early Redemption Date and the Product will be terminated as of such date. The Investor will receive no further interest.

13.2.6 Interest after Scheduled Redemption

In addition to amounts of interest (if any) accrued in accordance with the Credit Linked Conditions, in respect of the Extended Interest Period (if any), unless 'Extension Interest' is specified as not applicable in the Issue Terms and provided no Relevant Event Determination Date occurs on or prior to the Products Extension Date, interest ("**Extension Interest**") on each interest-bearing Credit Linked Product will be payable in arrears on the Deferred Redemption Date in an amount determined by the Calculation Agent equal to the sum for each day in the Extended Interest Period of the product of (i) the Calculation Amount on such day, (ii) the overnight deposit rate quoted by the Issuer (or any of its Affiliates) for deposits in the Settlement Currency for such day and (iii) 1/360. If 'Extension Interest' is specified as not applicable in the Issue Terms, no amount of Extension Interest or other interest shall accrue or be payable on each such Credit Linked Product in respect of any period on or following the Scheduled Redemption Date, notwithstanding that the Deferred Redemption Date occurs following such date.

13.3 Redemption of Cash Settled CLPs

13.3.1 Redemption at Credit Event Redemption Amount

Following delivery of a Credit Event Redemption Notice in relation to a Cash Settled CLP, each Credit Linked Product will be redeemed in part or whole, as applicable, at its Credit Event Redemption Amount on the Credit Event Redemption Date.

13.3.2 Redemption at Fixed Recovery

If 'Fixed Recovery' is specified as applicable in the Issue Terms (the "**Fixed Recovery CLP Provisions**") the following amendments shall be made to these Credit Linked Conditions, provided that, in the

event of any inconsistency between this Credit Linked Condition 13.3.2 (*Redemption at Fixed Recovery*) and any other Credit Linked Condition, this Credit Linked Condition 13.3.2 will govern.

a. If the Fixed Recovery CLP Provisions apply then for the purposes of the method of settlement, the following elections are deemed to have been made in the Issue Terms:

CLP Settlement Method:	Cash Settlement
Fallback CLP Settlement Method:	Not applicable

b. In Credit Linked Conditions 13.16.9, paragraph "*Settlement Suspension and Effect of DC Resolutions*", the first sub-paragraph shall be amended by deleting the words "Physical Settlement Date or, to the extent applicable, a CLP Valuation Date" and replacing them with the words "Credit Event Redemption Date".

c. In Credit Linked Conditions 13.16.6, the definition of 'Credit Event Redemption Date' shall be deleted and replaced as follows:

"**Credit Event Redemption Date**" means, subject to Paragraph "*Settlement Suspension and Effect of DC Resolutions*" in Credit Linked Conditions 13.16.9, either:

(i) the date that is the number of Business Days specified in the related Issue Terms (or, if a number of Business Days is not so specified, five Business Days) following either:

(A) if an Event Determination Date is determined, the third Business Day following such Event Determination Date; provided that no Credit Event Resolution Request Date occurs on or before such third Business Day;

(B) subject to sub-paragraph (i)(1) above, if a DC Credit Event Question Dismissal occurs, the later of (A) the Event Determination Date and (B) the date of such DC Credit Event Question Dismissal;

(C) subject to sub-paragraph (ii) below, if an Event Determination Date occurs and an Auction Cancellation Date occurs or one or more Parallel Auction Cancellation Dates occur, the last such Auction Cancellation Date or Parallel Auction Cancellation Date;

(D) subject to sub-paragraph (i)(1) above, if the Credit Event in respect of which the Event Determination Date occurred is not an M(M)R Restructuring and a No Auction Announcement Date described in clause (a) or (c) of the definition 'No Auction Announcement Date' in Credit Linked Conditions 13.16.7 occurs, such No Auction Announcement Date; or

(E) subject to sub-paragraph (ii) below, if the Credit Event in respect of which the Event Determination occurred is an M(M)R Restructuring and a No Auction Announcement Date described in clause (a) or (c) of the definition 'No Auction Announcement Date' in Credit Linked Conditions 13.16.7 occurs, the Exercise Cut-off Date; or

(ii) if an Event Determination Date occurs and an Auction Settlement Date or a Parallel Auction Settlement Date (as defined in the Transaction Auction Settlement Terms) occurs, the first such Auction Settlement Date or Parallel Auction Settlement Date to occur.

d. The definition 'Final Price' in Credit Linked Conditions 13.16.6 shall be deleted and replaced as follows:

"**Final Price**" means the percentage specified as such in the Issue Terms (which may be zero).

e. The definition 'CLP Valuation Date' in Credit Linked Conditions 13.16.6 shall be deleted, and a CLP Valuation Date will not occur.

f. The definition 'Transaction Auction Settlement Terms' in Part C, Credit Linked Conditions 13.16.7 shall be amended by deleting the words "the relevant Reference Entity and Reference Obligation" and replacing them with the words "Equivalent Auction-Settled Products".

g. The definition 'Parallel Auction Settlement Terms' in Credit Linked Conditions 13.16.7 shall be amended by adding the words "and for which the Products would, but for the application of the Fixed Recovery CLP Provisions, be an Equivalent Auction–Settled Products" before the full stop.

h. "**Equivalent Auction-Settled Products**" means, where the Fixed Recovery CLP Provisions apply, a hypothetical issuance of Products (a) on the same terms as the Products, except that the Fixed Recovery CLP Provisions shall be deemed to not have been specified in the Issue Terms, and (b) for which an Event Determination Date will be deemed to have occurred if an Event Determination Date had occurred for purposes of such Products.

13.4 Redemption of Physically Delivered Products

13.4.1 Redemption of Physically Delivered CLPs

Notwithstanding anything to the contrary in General Condition 9 (*Redemption and Settlement*), following delivery of a Credit Event Redemption Notice in relation to a Physically Delivered CLP, each Credit Linked Product will be redeemed in whole or part, as applicable, by Delivery of such Product's pro rata share (on a per Calculation Amount basis), determined on or about the date of the Credit Event Redemption Notice, of the Deliverable Obligations Portfolio, subject to and in accordance with this Credit Linked Condition 13.4.

13.4.2 Delivery of Deliverable Obligations on shortfall

Subject to Credit Linked Condition 13.4.4 (Partial Cash Settlement due to Impossibility or Illegality), and unless otherwise elected by the Issuer in accordance with the Issuer CLP Settlement Option, if all or any part of the Deliverable Obligations Portfolio to be Delivered to an Investor is not a whole integral multiple of the smallest unit of transfer for any such Deliverable Obligation at the relevant time of Delivery, the Issuer will Deliver and such Investor will only be entitled to receive the portion of the Deliverable Obligations Portfolio specified by the Calculation Agent which is closest to but less than the full Deliverable Obligations Portfolio, after consideration of such smallest unit or units of transfer (such portion of the Deliverable Obligations Portfolio that is not so Delivered being a "**Delivery Shortfall**"), and the Issuer will pay to such Investor in the Settlement Currency at the same time as such Delivery an amount in cash equal to the value of such Delivery Shortfall.

13.4.3 Delivery of Deliverable Obligations Portfolio

Delivery of the Deliverable Obligations Portfolio shall be made in accordance with General Condition 9.2 (*Settlement by Delivery of Underlying*) as if references to 'Entitlement' were to the relevant

Investor's share of the Deliverable Obligations Portfolio and references to 'Physical Delivery Date' were to the relevant Delivery Date, subject to adjustment as provided in this Credit Linked Condition 13.4.

Subject to the rest of this Credit Linked Condition 13.4, the Issuer may Deliver only the Deliverable Obligations specified in the Notice of Physical Settlement and only in the amounts specified therein. The Issuer may continue to attempt to Deliver the whole of the Deliverable Obligations specified in the Notice of Physical Settlement (i) in the case of Deliverable Obligations that are Bonds or Loans or Assets forming part of an Asset Package after the Physical Settlement Date and (ii) in the case of Deliverable Obligations that are not Bonds or Loans or Assets forming part of an Asset Package for an additional five Business Days after the Physical Settlement Date.

Until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date), the Issuer or any other person (whether or not on behalf of the Issuer) may continue to be the legal owner of the Deliverable Obligations comprising the Deliverable Obligations Portfolio which are not possible, practical or legal to deliver. None of the Issuer nor any such other person will: (a) be under any obligation to deliver or procure delivery to the relevant Investor or any other person any letter, certificate, notice, circular or any other document or payment whatsoever received by the Issuer or that person; (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Deliverable Obligations comprising the Deliverable Obligations Portfolio until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date); (c) be under any liability to such Investor or any other person in respect of any loss or damage which such Investor or other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or any person (whether or not on behalf of the Issuer) being the legal owner of such Deliverable Obligations comprising the Deliverable Obligations Portfolio until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date); or (d) have any liability whatsoever to such Investor or any other person if, as a result of a Redemption Failure Event or for any other reason whatsoever (including, without limitation, Credit Linked Conditions 13.4.4 (Partial Cash Settlement due to Impossibility or Illegality) to 13.5.3 (Alternative Procedures Relating to Loans not Delivered)), it is unable to effect Delivery of any Deliverable Obligations comprising the Deliverable Obligations Portfolio and its obligations hereunder are deemed to be fully discharged in accordance with the Credit Linked Conditions.

13.4.4 Partial Cash Settlement due to Impossibility or Illegality

Unless otherwise specified in the Issue Terms if, due to an event beyond the control of the Issuer, it is impossible, impracticable (including if unduly burdensome) or illegal for the Issuer to Deliver, or due to an event beyond the control of the Issuer it is impossible, impracticable (including if unduly burdensome) or illegal for any Investor (the "**Affected Investor**", which term shall apply to the relevant Investor in this Credit Linked Condition 13.4) to accept Delivery of, any of the Deliverable Obligations (other than a Prior Deliverable Obligation or any Package Observable Bond) specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable on the Physical Settlement Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain any requisite consent with respect to the Delivery of Loans) (the "**Undeliverable Obligation**"), then on or before such date (i) the Issuer shall Deliver and the Affected Investor shall take Delivery of any of the

Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable for which it is possible and legal to take Delivery and (ii) the Issuer shall provide a description in reasonable detail of the facts giving rise to such impossibility, impracticability or illegality, and 'Cash Settlement' pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 13.5.4 (Partial Cash Settlement Terms) shall apply to each Undeliverable Obligation.

13.5 Partial Cash Settlement of Consent Required Loans

Unless otherwise specified in the Issue Terms, if:

a. the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Affected Investor and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

b. 'Direct Loan Participation' is not specified as a Deliverable Obligation Characteristic in the Issue Terms or 'Direct Loan Participation' is specified as a Deliverable Obligation Characteristic in the Issue Terms and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 13.5.4 (Partial Cash Settlement Terms) shall be deemed to apply to the Products with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable that consist of Consent Required Loans for which consents are not obtained or deemed given (the "**Undeliverable Loan Obligations**").

13.5.1 Partial Cash Settlement of Assignable Loans

Unless otherwise specified in the Issue Terms, if:

a. the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Affected Investor and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

b. 'Direct Loan Participation' is not specified as a Deliverable Obligation Characteristic in the Issue Terms or 'Direct Loan Participation' is specified as a Deliverable Obligation Characteristic in the Issue Terms and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 13.5.4 (Partial Cash Settlement Terms) shall be deemed to apply to the Products with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable that consist of Assignable Loans for which consents are not obtained or deemed given (the "**Unassignable Obligations**").

13.5.2 Partial Cash Settlement of Participations

Unless otherwise specified in the Issue Terms, if the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date, Cash Settlement pursuant to the Partial Cash Settlement Terms shall be deemed to apply to the Credit Linked Products with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the "**Undeliverable Participations**").

13.5.3 Alternative Procedures Relating to Loans not Delivered

If the Issuer has not Delivered any Deliverable Obligations specified in the Notice of Physical Settlement that are Loans (other than any Loan which is (i) a Prior Deliverable Obligation which the Issuer has notified Investors it intends to Deliver an Asset Package in lieu thereof or (ii) forms part of an Asset Package which the Issuer has notified Investors it intends to Deliver) on or prior to the date that is five Business Days after the Physical Settlement Date (the "**Loan Alternative Procedure Start Date**"), the following provisions shall apply unless (i) Reference Obligations Only has been specified as the Deliverable Obligation Category in the Issue Terms, (ii) in the case of a Consent Required Loan, 'Partial Cash Settlement of Consent Required Loans Applicable' is specified in the Issue Terms (in which case Credit Linked Condition 13.5 (Partial Cash Settlement of Consent Required Loans) shall apply), (iii) in the case of an Assignable Loan, 'Partial Cash Settlement of Assignable Loans' is specified as applicable in the Issue Terms (in which case Credit Linked Condition 13.5.1 (Partial Cash Settlement of Assignable Loans) shall apply), (iv) in the case of a Direct Loan Participation, 'Partial Cash Settlement of Participations' is specified as applicable in the Issue Terms (in which case Credit Linked Condition 13.5.2 (Partial Cash Settlement of Participations) shall apply) or (v) in any case, such failure to Deliver is due to an event described in Credit Linked Condition 13.4.4 (Partial Cash Settlement due to Impossibility or Illegality) (in which case Credit Linked Condition 13.4.4 (Partial Cash Settlement due to Impossibility or Illegality) shall apply).

In the event that the Issuer has failed to obtain the requisite consents to Deliver a Loan specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, and has provided a certificate signed by a Managing Director (or other substantively equivalent title) of the Issuer, which certifies that Issuer has used reasonable efforts to obtain such consents, at any time following the Loan Alternative Procedure Start Date, the Issuer may Deliver, in lieu of all or part of such Loan, any Bond that is Transferable and Not Bearer or any Assignable Loan, in either case selected by the Issuer and having on both the Physical Settlement Date and the Delivery Date each of the Deliverable Obligation Characteristics (other than Consent Required Loan or Direct Loan Participation), if any, specified in the Issue Terms and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such instrument shall be deemed specified in the NOPS Amendment Notice which will be effective notwithstanding the fact that it is deemed specified after the Physical Settlement Date).

13.5.4 Partial Cash Settlement Terms

Unless otherwise specified in the Issue Terms, the following terms are deemed to be defined as follows for the purposes of the Partial Cash Settlement Terms referred to in Credit Linked Conditions 13.4.4 (Partial Cash Settlement due to Impossibility or Illegality) to 13.5.3 (Alternative Procedures Relating to Loans not Delivered*)*:

a. if 'Cash Settlement' is deemed to apply pursuant to Credit Linked Conditions 13.4.4 (Partial Cash Settlement due to Impossibility or Illegality) to 13.5.3 (Alternative Procedures Relating to Loans not Delivered*)*, the portion of the Deliverable Obligations Portfolio corresponding to the applicable Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation (each an "**Undeliverable Deliverable Obligation**") shall not consist of such Undeliverable Deliverable Obligation, but shall consist of an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or the equivalent Currency Amount thereof) of such Undeliverable Deliverable Obligation multiplied by the Final Price with respect to such Undeliverable Deliverable Obligation. For the purposes of this Credit Linked Condition 13.5.4, "**Final Price**" shall mean the highest firm bid price (expressed as a percentage of par and excluding any accrued and unpaid interest) solicited by the Calculation Agent from five or more Dealers at the CLP Valuation Time (as per Credit Linked Condition VIII.13.5.4e.) on the CLP Valuation Date (as per Credit Linked Condition VIII.13.5.4c.) for the purchase of the applicable Undeliverable Deliverable Obligation in a quantity equal to the applicable Outstanding Principal Balance or Due and Payable Amount which was not, or could not be, delivered, provided, if no such firm bids are provided in respect of any such Undeliverable Deliverable Obligation at such time on such date, the firm bid price will be zero. Any quotation provided by the Issuer or an Affiliate thereof shall be deemed to be a firm quotation;

b. "**Credit Event Redemption Date**" is deemed to be the date that is three Business Days after the calculation of the Final Price;

c. "**CLP Valuation Date**" is deemed to be the date that is two Business Days after the Latest Permissible Physical Settlement Date;

d. there shall be no 'Minimum Quotation Amount';

e. "**CLP Valuation Time**" is the time specified as such in the Issue Terms or, if no time is so specified, the time specified by the Calculation Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the relevant Calculation Agent City, unless the Calculation Agent determines that the principal market for transactions in the Undeliverable Deliverable Obligation would be closed at such time or such transactions are not being conducted in sufficient volume at such time, in which event the CLP Valuation Time shall be such other time as may be specified by the Calculation Agent that such principal market is open; and

f. "**Quantum of the Claim**" means the lowest amount of the claim which could be validly asserted against the Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount.

13.5.5 Asset Package Delivery

a. General

(i) Asset Package Delivery will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event applicable to the Event Determination Date, or (ii) if the

Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

(ii) The following shall apply if in the Issue Terms the specified Transaction Type is 'Standard Singapore Sovereign', 'Standard Asia Sovereign', 'Standard Sukuk Sovereign', 'Standard Latin America Sovereign' (save for where the Reference Entity is either Argentina or Ecuador) and 'Standard Emerging European & Middle Eastern Sovereign' (save for where the Reference Entity is Ukraine).

Notwithstanding Credit Linked Condition 13.5.5(i), it shall be deemed that no Package Observable Bond exists with respect to a Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA) and accordingly, Asset Package Delivery shall not apply thereto.

b. "**Asset Package**" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

c. "**Largest Asset Package**" means, in respect of a Prior Deliverable Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment) by reference to Eligible Information. If, in the determination of the Calculation Agent, this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realisable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

d. "**Asset**" means each obligation, equity, amount of cash, security, fee (including any 'early-bird' or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realised or capable of being realised in circumstances where the right and/or other asset no longer exists).

e. "Asset Package Credit Event" means:

(i) if 'Financial Reference Entity Terms' and 'Governmental Intervention' are specified as applicable in the Issue Terms:

(A) a Governmental Intervention; or

(B) a Restructuring in respect of the Reference Obligation, if 'Restructuring' is applicable and such Restructuring does not constitute a Governmental Intervention; and

(ii) if the Reference Entity is a Sovereign and 'Restructuring' is specified in the Issue Terms as being applicable, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

f. "**Relevant Holder**" means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

13.6 Redemption Failure Event

"**Redemption Failure Event**" means, in each case as determined by the Calculation Agent: (i) that it is impossible or illegal for the Issuer to pay (due to an event beyond the control of the Issuer), or for an Investor to accept payment of (due to an event beyond the control of such Investor), any cash amount (including, without limitation, any Credit Event Redemption Amount) required to be paid on the date scheduled for such payment; (ii) the failure of an Investor to surrender a Credit Linked Product for cancellation or endorsement on or before the Scheduled Redemption Date or, as applicable, Deferred Redemption Date, first Delivery Date in respect of an applicable Physical Settlement Date or any Credit Event Redemption Date, as the case may be; or (iii) the failure of any relevant person to duly execute, deliver and/or accept a transfer certificate or other transfer document on or before any Delivery Date and/or specify a date for transfer of the relevant Deliverable Obligation that is on or before any Delivery Date, in each case in accordance with the terms of the relevant Deliverable Obligation. In circumstances where a Redemption Failure Event has occurred prior to the Scheduled Redemption or, as applicable, Deferred Redemption Date, the obligation of the Issuer to pay any cash amount affected by such Redemption Failure Event shall, subject to the following paragraph, be postponed without further act or notice, and such payment will be made on a Business Day selected by the Calculation Agent on which such Redemption Failure Event no longer exists.

If a Redemption Failure Event has occurred and exists on the Scheduled Redemption Date or, as applicable, Deferred Redemption Date, the obligation of the Issuer to pay any cash amount or make any Delivery (including, without limitation, the obligation to pay any Credit Event Redemption Amount or to Deliver any Deliverable Obligations Portfolio or part thereof, as the case may be) on such date will be postponed (or will continue to be postponed, as the case may be) without further act or notice, and such payment or Delivery will be made on a Business Day selected by the Calculation Agent on which such Redemption Failure Event no longer exists, provided that, if such Redemption Failure Event continues to exist on the tenth Business Day after the Scheduled Redemption Date or, as applicable, Deferred Redemption Date or other scheduled payment date or Delivery Date in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be), the Investor may request the Issuer in writing to make payment of such amount or Delivery of such Deliverable Obligations to such account or to such other person as the Investor specifies (the "**Alternative Settlement Request**"), provided that the Issuer first receives an irrevocable and unconditional release and indemnity in respect of liabilities arising therefrom to its absolute satisfaction and provided further that the Issuer shall be entitled to refuse to comply with such Alternative Settlement Request in its discretion without any further explanation.

Notwithstanding anything to the contrary in the General Terms and Conditions, if the Calculation Agent determines that such Redemption Failure Event continues to exist on the 180th calendar day after the Scheduled Redemption Date or, as applicable, Deferred Redemption Date or other scheduled payment date or Delivery Date in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be), no such payment or Delivery will be made by the

Issuer and the Issuer's obligations to the Investor hereunder will be deemed to be fully discharged as of that date.

Any postponement or deemed discharge of payment pursuant to this Credit Linked Condition 13.6 will not constitute a default hereunder (including for the purpose of the General Terms and Conditions) and will not entitle the relevant Investor to any additional interest or other payment as a result thereof. The provisions of this Credit Linked Condition VIII.13.6 are in addition to any provisions of Credit Linked Condition 13.4 (Redemption of Physically Delivered Products) regarding, inter alia, the failure to Deliver Deliverable Obligations.

13.7 Calculation Agent

Except as otherwise set out in the Issue Terms, any determination, discretion or calculation of the Issuer as may be specified in these Credit Linked Conditions will be made by the Issuer, as applicable, and neither the Issuer nor the Calculation Agent will assume any obligation to, or relationship of agency or trust with, any Investors or any other person. Furthermore, each Investor agrees that neither the Issuer nor the Calculation Agent is acting as fiduciary for or as an adviser to such Investor in respect of its duties as Issuer or Calculation Agent. In making any such determination or calculation or exercising any such discretion, neither the Issuer nor Calculation Agent shall be required to take into account any person's interest other than its own.

The Calculation Agent is responsible for, inter alia:

a. determining a Successor or Successors and making any other determinations required to be made under the Successor Provisions;

b. determining whether (i) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (ii) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms or (iii) for any reason other than as described in (i) or (ii) above and other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity;

c. identifying and determining a Substitute Reference Obligation;

d. obtaining Quotations (and, if necessary, determining whether such Quotations shall include or exclude accrued but unpaid interest) and determining the Final Price in accordance with the applicable Valuation Method;

e. converting the Quotation Amount into the relevant Obligation Currency;

f. determining the Dealers (where none have been specified in the Issue Terms) and substituting Dealers;

g. determining the Currency Rate;

h. determining the Representative Amount;

i. determining the number of Business Days in each Physical Settlement Period;

j. determining the Outstanding Principal Balance;

k. if 'Include Accrued Interest' is specified in the Issue Terms, determining accrued but unpaid interest; and

l. determining the Largest Asset Package.

Except as otherwise expressly set out herein or in the Issue Terms, whenever the Calculation Agent is required to act or to exercise its judgement, it will do so in good faith and in a commercially reasonable manner. Each Investor acknowledges and agrees that the Calculation Agent is not acting as a fiduciary for or an adviser to any person in respect of the Products, and acts in all respects as an arm's length contractual counterparty.

If any of the matters set out in this Credit Linked Condition 13.7 are decided and/or determined by a Credit Derivatives Determinations Committee, the Calculation Agent shall follow such decision or determination to the extent such decision and/or determination is applicable to any Credit Linked Product.

13.8 Notices

13.8.1 Notices required to be delivered

The Issuer shall give notice in accordance with General Condition 19 (*Notices*) to Investors of the following, to the extent required to be delivered for Credit Linked Products and unless otherwise specified in the Issue Terms:

a. Credit Event Notice;

b. Notice of Publicly Available Information;

c. Notice of Physical Settlement;

d. Extension Notice;

e. Repudiation/Moratorium Extension Notice;

f. the occurrence of any Successor determination, including, if applicable, details of any Successors and any amendments to the weighting of each Reference Entity within the Reference Portfolio (provided that (i) no Successor Notice shall be required following a determination by a Credit Derivatives Determinations Committee that a succession event (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to such Reference Entity has been determined, and (ii) the failure of the Issuer to deliver a notice to the Investors pursuant to this Credit Linked Condition shall not affect the effectiveness of any determinations by the Calculation Agent in respect of such Successor (such determinations to be in accordance with these Credit Linked Conditions));

g. the selection of any Replacement Reference Entity;

h. if the terms of any Products provide for the Reference Portfolio to be amended from time to time other due to the determination of a Successor, details of any amendments to the Reference Portfolio;

i. the designation of any Substitute Reference Obligation (provided that (i) no such notice shall be required following a determination by a Credit Derivatives Determinations Committee that a Substitute Reference Obligation has occurred and (ii) the failure of the Issuer to deliver a notice to the Investors pursuant to this Credit Linked Condition 13.8 shall not affect the effectiveness of any designation of such Substitute Reference Obligation by the Calculation Agent (such designation to be in accordance with these Credit Linked Conditions));

j. in respect of any Cash Settled CLP, following the selection by the Issuer of an obligation of the Reference Entity constituting a Reference Obligation for the purposes of 'Terms relating to Cash Settlement', a notice specifying the identification details of such selected obligation, provided that the failure of the Issuer to deliver a notice to the Investors pursuant to this Credit Linked Condition 13.8 shall not affect the effectiveness of any designation of such Reference Obligation by the Calculation Agent (such designation to be in accordance with these Credit Linked Conditions);

k. following the determination of the CLP Cash Settlement Amount with respect to any Cash Settled CLP, a notice specifying, to the extent applicable:

(i) the Reference Obligation;

(ii) the CLP Valuation Date;

(iii) the Quotation Amount;

(iv) the Quotations obtained;

(v) the Final Price or Auction Final Price, as applicable;

(vi) the CLP Cash Settlement Amount;

(vii) if applicable, any Settlement Expenses and/or Swap Costs; and

(viii) if applicable, the Credit Event Redemption Amount,

(ix) or any NOPS Amendment Notice;

l. following delivery of a Notice of Physical Settlement (to the extent such information is not included in the Notice of Physical Settlement):

(i) the proposed Delivery Date;

(ii) if applicable, the Settlement Expenses and/or Swap Costs; and

(iii) the Outstanding Principal Balance of Deliverable Obligations to be Delivered; and

m. following the occurrence of an Asset Package Credit Event, a detailed description of the Asset Package that the Issuer intends to Deliver in lieu of the Prior Deliverable Obligations or Package Observable Bond, if any, specified in a Notice of Physical Settlement.

13.8.2 Effectiveness of Notices

Any notice required to be delivered by the Issuer to the relevant Agent pursuant to these Credit Linked Conditions or the Issue Terms shall be effective when delivered. The relevant Agent will deliver a copy thereof to Investors if required in accordance with the provisions of General Condition

19 (Notices), provided that the failure of the relevant Agent to deliver any such notice shall not affect the effectiveness of any notice delivered by the Issuer.

A notice delivered by the Issuer to the relevant Agent on or prior to 4:00 p.m. (Calculation Agent City time) on a Calculation Agent City Business Day will be effective on such Calculation Agent City Business Day. A notice delivered after 4:00 p.m. (Calculation Agent City time) on a Calculation Agent City Business Day will be deemed effective on the next following Calculation Agent City Business Day, regardless of the form in which it is delivered. For purposes of the two preceding sentences, a notice given by telephone will be deemed to have been delivered at the time the telephone conversation takes place. If the notice is delivered by telephone, a written confirmation of such notice will be executed and delivered confirming the substance of such notice within one Business Day of that notice. Failure to provide a written confirmation shall not affect the effectiveness of a notice given by telephone. If a notice is given by email, it will be deemed effective at the date and time it was delivered.

13.8.3 Confidentiality

Investors will treat as confidential any information about a Reference Entity which is designated by the Issuer as confidential information and conveyed to the Investors for the purposes of identifying the Credit Event or giving rise to the determination of a Credit Event.

13.9 Additional provisions in respect of a Successor

13.9.1 Provisions for determining a Successor

a. "**Successor**" means, subject to Credit Linked Condition 13.9.1c. below, the entity or entities, if any, determined as follows:

(i) subject to paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to 75 per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of the relevant Reference Entity;

(ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent (but less than 75 per cent) of the Relevant Obligations of the Reference Entity, and not more than 25 per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent of the Relevant Obligations will be the sole Successor in respect of the relevant Reference Entity;

(iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent of the Relevant Obligations of the Reference Entity, and not more than 25 per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent of the Relevant Obligations will each be a Successor (subject to Credit Linked Condition 13.9.2a. (Treatment of certain Successors));

(iv) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent of the Relevant Obligations of the Reference Entity, and more than 25 per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor (subject to Credit Linked Condition 13.9.2a. (Treatment of certain Successors));

(v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;

(vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor (subject to Credit Linked Condition 13.9.2a. (Treatment of certain Successors));

(vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor in respect of the relevant Reference Entity.

b. The Calculation Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors; provided that the Calculation Agent will not make such determination if, at the time of such determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations. The Calculation Agent will make all calculations and determinations required to be made under this Credit Linked Condition 13.9 on the basis of Eligible Information and will notify the Issuer of any such calculation or determination as soon as practicable. In calculating the percentages used to determine whether an entity qualifies as a Successor, if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

c. An entity may only be a Successor if:

(i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor;

(ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity;

(iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event; and

(iv) in respect of Index CLP where the relevant Credit Derivatives Determinations Committee has, in relation to a Successor Resolution Request Date, not identified a Successor in accordance with the DC Rules, the Successor is an entity identified as such by the relevant Index Sponsor.

d. For purposes of this Credit Linked Condition 13.9.1, "**succeed**" means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (I) assumes or becomes liable for such Relevant Obligations, whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (II) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of this Credit Linked Condition 13.9, "**succeeded**" and "**succession**"' shall be construed accordingly.

e. In the case of an exchange offer, the determination required pursuant to Credit Linked Condition 13.9.1a. shall be made on the basis of the Outstanding Principal Balance of Relevant Obligations exchanged and not on the basis of the Outstanding Principal Balance of the Exchange Bonds or Loans.

f. If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

g. Where, pursuant to Credit Linked Conditions 13.9.1a. (iii), (iv), (iv) or 13.9.1a. (vi) one or more Successors have been identified, the relevant Products shall be deemed, for the purposes of determining the payment and delivery obligations of the Issuer, to have been divided, with effect from the Succession Date, into the same number of new Products (the "**New Products**") as there are Successors, with the following terms:

   (i) each Successor shall be a Reference Entity for the purposes of one of the New Products, with a Reference Entity Notional Amount equal to the Reference Entity Notional Amount of the Reference Entity to which that Successor relates, divided by the number of Successors;

   (ii) in respect of each New Product, the Calculation Amount (determined on or about the date of the applicable succession event (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event)), as applicable, shall be the Calculation Amount of the original Product (before the identification of the relevant Successor(s)) divided by the number of Successors;

   (iii) all other terms and conditions of the original Products shall be replicated in each of the New Products, with such modifications as would be required, to preserve substantially the economic effect of the original Products in the New Products (considered in the aggregate);

   (iv) each of the New Products shall be deemed to constitute a separate and distinct issuance which shall be treated as a separate Product by the Issuer; and

(v) the Calculation Agent shall make such other conforming and consequential changes as it shall deem appropriate to give effect to this Credit Linked Condition 13.9, including, without limitation, the amendment of Credit Linked Conditions 13.2.1 (Credit Event Determination), 13.2.2 (Relevant Credit Events) and 13.2.3 (Credit Event Notice after M(M)R Restructuring) to allow, inter alia, for redemption of the Credit Linked Products with an aggregate Calculation Amount (determined on or about the Succession Date) equal to the nominal amount of one (or more) New Product(s) in respect of which a Relevant Event Determination Date has occurred, with the remainder of such Products remaining outstanding and accruing interest on such reduced aggregate Calculation Amount (until such time as a further Event Determination Date in respect of a different New Product may occur or a redemption of the remaining aggregate Calculation Amount of the Credit Linked Products may otherwise occur pursuant to the terms hereof),

provided that notwithstanding the foregoing, the Issuer may in its discretion and without the consent of the Investors, elect not to divide the relevant Products into New Products, and instead to make such modifications to the terms of the relevant Products as it deems necessary such that the relevant Products would in aggregate have substantially the same economic value and/or effect on the date such modifications are effective as if the New Products had been issued in accordance with the foregoing.

h. "**Relevant Obligations**" means the Obligations of the Reference Entity which fall within the Obligation Category 'Bond or Loan' and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

(i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;

(ii) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under Credit Linked Condition 13.9.1a. (i), make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category 'Bond or Loan' that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;

(iii) if 'Financial Reference Entity Terms' and 'Senior Product' are specified as applicable in the related Issue Terms, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category 'Bond or Loan'; and

(iv) if 'Financial Reference Entity Terms' and 'Subordinated Product' are specified as applicable in the related Issue Terms, Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category 'Bond or Loan', provided that if no such Relevant Obligations exist, 'Relevant Obligations' shall have the same meaning as it would if 'Senior Product' were specified as applicable in the related Issue Terms.

i. "**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

j. "**Steps Plan**" means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

k. "**Succession Date**" means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that, if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination of the Calculation Agent in accordance with the definition of 'Successor' would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of an Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

l. "**Successor Backstop Date**" means, for purposes of any Successor determination determined by DC Resolution, the date that is 90 calendar days prior to the Successor Resolution Request Date, otherwise, the date that is 90 calendar days prior to the earlier of (i) the date on which the Successor Notice is effective and (ii) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered by the Calculation Agent not more than 14 calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

m. "**Successor Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to the Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

n. "**Successor Notice**" means an irrevocable notice from the Calculation Agent that describes a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to the Reference Entity can be determined, and which contains a description in reasonable detail of the facts relevant to the determination to be made pursuant to Credit Linked Condition 13.9 (Additional provisions in respect of a Successor) and any consequential amendments to the Reference Portfolio and/or the Credit Linked Products as a result thereof.

o. "**Eligible Information**" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

p. "**Sovereign**" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

q. "**Standard Reference Obligation**" means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List. If the Standard Reference

Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the 'Not Subordinated' Obligation Characteristic or 'Not Subordinated' Deliverable Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation.

r. "**Non-Standard Reference Obligation**", if any, means the Original Non-Standard Reference Obligation or, if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

s. "**Original Non-Standard Reference Obligation**" means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in the related Issue Terms (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the Credit Linked Products (other than for the purposes of determining the Seniority Level and for the 'Not Subordinated' Obligation Characteristic or 'Not Subordinated' Deliverable Obligation Characteristic) unless otherwise specified in the related Issue Terms.

13.9.2 Successor provisions specific to Nth-to-Default CLP

In respect of Nth-to-Default CLP, this Credit Linked Condition 13.9.2 shall apply in addition to Credit Linked Condition 13.9.1 (Provisions for determining a Successor). If there is any inconsistency between this Credit Linked Condition 13.9.2 and the rest of the Credit Linked Conditions (including Credit Linked Condition 13.9.1 (Provisions for determining a Successor)), then this Credit Linked Condition 13.9.2 shall prevail.

a. Treatment of certain Successors

(i) In the event that, pursuant to the application of Credit Linked Condition 13.9.113.9.1a. , a Reference Entity in relation to which no succession has occurred (the "**Surviving Reference Entity**") would be the only Successor to a Reference Entity (the "**Legacy Reference Entity**"):

(A) such Successor (that is a Surviving Reference Entity) shall not be a Successor to such Legacy Reference Entity; and

(B) the replacement Reference Entity (the "**Replacement Reference Entity**") selected by the Issuer in accordance with Credit Linked Condition VIII.13.9.2b. (Selection of Replacement Reference Entity*)* shall be the sole Successor to such Legacy Reference Entity.

(ii) In the event that, pursuant to the application of Credit Linked Condition VIII.13.9.1a. , there is only one Successor to a Legacy Reference Entity and such Successor is not a Surviving Reference Entity, such Successor shall be the sole Successor to such Legacy Reference Entity.

(iii) In the event that, pursuant to the application of Credit Linked Conditions 13.9.113.9.1a. (iii), (iv) and (vi) there are two or more Successors to a Legacy Reference Entity and none of such Successors is a Surviving Reference Entity:

(A) each of such Successors (that is not a Surviving Reference Entity) shall be a Reference Entity for the purposes of one of the New Products determined in accordance with Credit Linked Condition 13.9.1g. ; and

(B) each of the Surviving Reference Entity(ies) (that is not a Successor) shall continue to be a Reference Entity for each and every one of the New Products determined in accordance with Credit Linked Condition 13.9.1g.

(iv) In the event that, pursuant to the application of Credit Linked Conditions 13.9.1g.(iii), (iv) and (vi) there are two or more Successors to a Legacy Reference Entity and at least one of such Successors is a Surviving Reference Entity:

(A) each of such Successor(s) (that is a Surviving Reference Entity) shall not be a Successor to such Legacy Reference Entity, and shall be replaced by a Replacement Reference Entity selected in accordance with Credit Linked Condition 13.9.2b. (Selection of Replacement Reference Entity);

(B) each of such Replacement Reference Entity(ies) and any other Successor(s) not constituting a Surviving Reference Entity shall be a Reference Entity for the purposes of one of the New Products determined in accordance with Credit Linked Condition 13.9.1g.; and

(C) each of the Surviving Reference Entity(ies) (that is not a Successor) shall continue to be a Reference Entity for each and every one of the New Products determined in accordance with Credit Linked Condition 13.9.1g.

b. Selection of Replacement Reference Entity

Upon a determination by the Calculation Agent of the occurrence of a succession with respect to which a Surviving Reference Entity would be a Successor but for the operation of Credit Linked Condition 13.9.2a. , the Issuer shall select an Eligible Reference Entity as the Replacement Reference Entity and the Transaction Type applicable to such Eligible Reference Entity.

"Eligible Reference Entity" means an entity:

a. that is in the same Moody's or S&P industry group as the relevant Surviving Reference Entity;

b. that has a bid-side credit spread (at the time the Issuer delivers to the relevant Agent the notice specifying the Eligible Reference Entity that it has selected to be the Replacement Reference Entity) no greater than 110 per cent of the bid-side credit spread of the relevant Surviving Reference Entity at the same time (the "**Credit Spread Requirement**"), in each case based on a credit default swap:

(i) on market standard terms for the relevant entity as at the time of such determination;

(ii) in respect of a notional amount equal to at least 50 per cent, but not more than 100 per cent, of the aggregate Calculation Amount of the Credit Linked Products; and

(iii) with a term equal to the period from and including the date of the determination to and including the Scheduled Redemption Date (the "**Remaining Term**"), provided that if the Issuer, having used reasonable endeavours, cannot obtain Quotations from at least three

Dealers in respect of the Remaining Term, the term for the purposes of this paragraph (iii) shall be five years.

The bid-side credit spreads for the purpose of the Credit Spread Requirement shall be the unweighted arithmetic mean of the spread quotations obtained by the Issuer (on the basis of the terms set out above) from at least three Dealers, as determined by the Issuer in a commercially reasonable manner and notified by the Issuer to the relevant Agent:

(iv) that is principally traded in the credit derivatives market in respect of the same Geographical Region as the relevant Surviving Reference Entity, as determined in a commercially reasonable manner by the Issuer, where 'Geographical Region' means North America, Latin America, Western Europe, Eastern Europe, Australia/New Zealand, Singapore, Asia (excluding Japan), Japan or such region determined in a commercially reasonable manner by the Issuer to give best effect to the then current market practice in respect of the relevant Surviving Reference Entity; and

(v) that is not an Affiliate of any Reference Entity or the Issuer both immediately prior to and following the determination of the relevant Successor.

c. Fallback Successor Process

If Credit Linked Condition (i) applies and the Issuer fails to specify a Replacement Reference Entity in accordance with Credit Linked Condition 13.9.2b. Selection of Replacement Reference Entity), then:

(i) the Legacy Reference Entity shall cease to be a Reference Entity unless it is itself a Successor; and

(ii) notwithstanding Credit Linked Condition (i), each Surviving Reference Entity shall continue to be a Successor, together with any other Successors, and all other terms of the Products shall remain unaffected.

d. Effective Date for Substitution of Reference Entity following a Successor determination

The substitution of a Reference Entity and the issuance of New Products in accordance with the terms hereof shall be deemed to be effective on the Succession Date.

13.9.3 Substitute Reference Obligation

"**Substitute Reference Obligation**" means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the Non-Standard Reference Obligation, determined as follows:

a. The Calculation Agent shall identify the Substitute Reference Obligation in accordance with Credit Linked Conditions 13.9.3c. , 13.9.3d. and 13.9.3e. below to replace the Non-Standard Reference Obligation, provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution. In the case of an Index CLP, if there is no Standard Reference Obligation and the Index Sponsor publishes a replacement Reference Obligation for such Reference Entity, the Calculation

Agent shall select such obligation rather than identify a Substitute Reference Obligation in accordance with Credit Linked Conditions 13.9.3c. , 13.9.3d. and 13.9.3e. below.

b. If any of the events set out under Credit Linked Condition 13.9.4a. (i) or (iii) have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the 'Not Subordinated' Obligation Characteristic or 'Not Subordinated' Deliverable Obligation Characteristic and Credit Linked Condition 13.9.3c. (ii) below). If the event set out in Credit Linked Condition 13.9.4a. (ii) has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set out under Credit Linked Condition 13.9.4a.(i) or (iii) occur with respect to such Non-Standard Reference Obligation.

c. The Substitute Reference Obligation shall be an obligation that on the Substitution Date:

(i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);

(ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and

(iii) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

(A) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation'; or if no such obligation is available;

(B) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation';

(iv) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:

(A) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available;

(B) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation'; or if no such obligation is available,

(C) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available; or

(D) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation', or

(v) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:

(A) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available;

(B) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available;

(C) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation'; or if no such obligation is available;

(D) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation'.

d. If more than one potential Substitute Reference Obligation is identified pursuant to the process described in Credit Linked Condition 13.9.3c. , the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer in respect of the relevant Credit Linked Products. The Calculation Agent will notify the Issuer of the Substitute Reference Obligation within a reasonable period after it has been identified in accordance with Credit Linked Condition 13.9.3c. VIII.13.9.3c. and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.

e. If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to Credit Linked Condition 13.9.3a. and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with Credit Linked Condition 13.9.3b. , the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

"**Conforming Reference Obligation**" means a Reference Obligation which is a Deliverable Obligation determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation'.

"**Further Subordinated Obligation**" means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

"**Non-Conforming Reference Obligation**" means a Reference Obligation which is not a Conforming Reference Obligation.

"**Non-Conforming Substitute Reference Obligation**" means an obligation which would be a Deliverable Obligation determined in accordance with paragraph (a) of the definition of 'Deliverable Obligation' on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

"**Private-side Loan**" means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

"**Seniority Level**" means, with respect to an obligation of the Reference Entity, (a) 'Senior Level', 'Senior Non-Preferred Level' or 'Subordinated Level' as specified in the Issue Terms, or (b) if no such seniority level is specified in the Issue Terms, 'Senior Level' if the Original Non-Standard Reference Obligation is a Senior Obligation or 'Subordinated Level' if the Original Non-Standard Reference Obligation is a Subordinated Obligation, (c) if the Original Non-Standard Reference Obligation is a Senior Non-Preferred Obligation, 'Senior Non-Preferred Level' failing which (d) 'Senior Level'.

"**SRO List**" means the list of Standard Reference Obligations as published by IHS Markit on its website at https://ihsmarkit.com/ from time to time (or any successor website thereto) or by a third party designated by IHS Markit on its website from time to time.

"**Substitution Date**" means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent determines that such Substitute Reference Obligation has been identified in accordance with Credit Linked Condition 13.9.3 (Substitute Reference Obligation).

"**Substitution Event Date**" means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

"**Substitute Reference Obligation Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve a Substitute Reference Obligation to the Non-Standard Reference Obligation, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"**Senior Non-Preferred Obligation**" means any obligation of the Reference Entity which is Subordinated only to any unsubordinated Borrowed Money obligations of the Reference Entity but not further or otherwise, or which would be so Subordinated if any unsubordinated Borrowed Money obligations of the Reference Entity existed, and which ranks above Traditional Subordinated Obligations of the Reference Entity or which would so rank if any Traditional Subordinated Obligations of the Reference Entity existed. A Senior Non-Preferred Obligation shall constitute a Subordinated Obligation for the purposes of this definition.

"**Senior Non-Preferred Products**" means Products in respect of which 'Standard European Senior Non-Preferred Financial Corporate' is specified as applicable in the Issue Terms. Senior Non-Preferred Products shall constitute Subordinated Products for the purposes of this definition.

"**Senior Product**" means a Credit Linked Product for which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation.

"**Senior Obligation**" means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Subordinated Product**" means a Credit Linked Product for which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

"**Subordinated Obligation**" means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

13.9.4 Substitution Event

a. "**Substitution Event**" means, with respect to the Non-Standard Reference Obligation:

(i) the Non-Standard Reference Obligation is redeemed in whole;

(ii) the aggregate amounts due under the original Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD10,000,000 (or its equivalent in the relevant Obligation Currency); or

(iii) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee).

b. For purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event.

c. If an event described in Credit Linked Condition 13.9.4a. (i) or (ii) above has occurred on or prior to the Issue Date, then a Substitution Event shall be deemed to have occurred pursuant to Credit Linked Condition 13.9.4a. (i) or (ii) above, as the case may be, on the Issue Date.

13.10 Additional Provisions relating to Deliverable Obligations

For the purposes of making a determination pursuant to Credit Linked Conditions 13.10.1 (Mod R) and 13.10.2 (Mod Mod R), final maturity date shall, subject to Credit Linked Condition 13.10.2 (Mod Mod R), be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

13.10.1 Mod R

a. For any Physically Delivered CLP, where 'Mod R' is specified in the Issue Terms and 'Restructuring' is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified for any Credit Linked Product (or deemed specified pursuant to Credit Linked Condition 13.5.3 (Alternative Procedures Relating to Loans not Delivered)) in the Notice of Physical Settlement or specified in any NOPS Amendment Notice, as applicable, only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date in each case, as both of the NOPS Effective Date and the Delivery Date.

b. "**Fully Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a

trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 13.10.1.

c. "**Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Redemption Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a "**Latest Maturity Restructured Bond or Loan**") and the Scheduled Redemption Date occurs prior to the final maturity date of such Latest Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

d. "Eligible Transferee" means:

(i) any:

(A) bank or other financial institution;

(B) insurance or reinsurance company;

(C) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in paragraph (iii) of this definition); and

(D) registered or licensed broker or dealer (other than a natural person or proprietorship),

(E) provided, however, in each case that such entity has total assets of at least USD 500,000,000;

(ii) an Affiliate of an entity specified in clause (i) of this definition;

(iii) each of a corporation, partnership, proprietorship, organisation, trust or other entity:

(A) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligation, commercial paper conduit or other special purpose vehicle) that (I) has total assets of at least USD 100,000,000 or (II) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;

(B) that has total assets of at least USD 500,000,000; or

(C) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in clauses (i), (ii), (iii) or (iv) of this definition; and

(iv) (A) any Sovereign; or

(B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this Credit Linked Condition 13.10.1 to 'USD' include equivalent amounts in other currencies.

e. Where in the Issue Terms the following elections have been made:

(i) Cash Settlement as CLP Settlement Method or as Fallback CLP Settlement Method; and

(ii) Mod R is specified to apply as Restructuring Credit Event,

then the following shall apply to Credit Linked Condition 13.10.1 (Mod R):

(i) any reference to Physically Delivered CLP shall be construed to be a reference to Cash Settled CLP;

(ii) Credit Linked Condition 13.10.1a. shall be deleted in its entirety and be replaced with the following:

(iii) "For any Cash Settled CLP, where 'Mod R' is specified in the Issue Terms and 'Restructuring' is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, an obligation may be specified as a Reference Obligation, only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date, as of the date on which the relevant Deliverable Obligation is selected by the Issuer as a Reference Obligation."

(iv) Credit Linked Condition 13.10.1b. shall be deleted in its entirety and be replaced with the following:

""**Fully Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the date on which the relevant Deliverable Obligation is selected by the Issuer as a Reference Obligation. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 13.10.1."

13.10.2 Mod Mod R

a. For any Physically Delivered CLP where 'Mod Mod R' is specified in the Issue Terms and 'Restructuring' is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified (or deemed specified pursuant to Credit Linked Condition 13.5.3 (Alternative Procedures Relating to Loans not Delivered)) in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date, in each case, as of both the NOPS Effective Date and the Delivery Date. Notwithstanding the foregoing, for purposes of the above, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the ten-year Limitation Date, the final maturity date of such Bond or

Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

b. "**Conditionally Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor of the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer to so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 13.10.2.

c. If Credit Linked Condition 13.10.213.10.1 applies and the Deliverable Obligation specified in the Notice of Physical Settlement (or any NOPS Amendment Notice, as applicable) is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer and the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date (in which case it shall be deemed to have been refused), the Issuer shall promptly notify the Investors of such refusal (or deemed refusal) and if the Investor does not designate a third party or the Investor does not take Delivery on or prior to the Loan Alternative Procedure Start Date, then Credit Linked Condition 13.5.3 (Alternative Procedures Relating to Loans not Delivered) shall apply.

d. "**Modified Restructuring Maturity Limitation Date**" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Redemption Date. Subject to the foregoing, if the Scheduled Redemption Date is later than the ten-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Redemption Date.

e. "**Modified Eligible Transferee**" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, Products and other financial assets.

f. Where in the Issue Terms the following elections have been made:

(i) Cash Settlement as CLP Settlement Method or as Fallback CLP Settlement Method; and

(ii) Mod Mod R,

then the following shall apply to Credit Linked Condition 13.10.2 (Mod Mod R):

(A) any reference to Physically Delivered CLP shall be construed to be a reference to Cash Settled CLP;

(B) Credit Linked Condition 13.10.2a. shall be deleted in its entirety and be replaced with the following:

"For any Cash Settled CLP where 'Mod Mod R' is specified in the Issue Terms and 'Restructuring' is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, an obligation may be specified as a Reference Obligation, if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date, as of the date on which the relevant Deliverable Obligation is selected by the Issuer as a Reference Obligation.

Notwithstanding the foregoing, for purposes of the above, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the ten-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring."

(C) Credit Linked Condition 13.10.2b. shall be deleted in its entirety and be replaced with the following:

"**Conditionally Transferable Obligation**" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the date on which the relevant Deliverable Obligation is selected by the Issuer as Reference Obligation, provided that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor of the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer to so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 13.10.2."

g. For the purposes of Credit Linked Conditions 13.10.1 and 13.10.2:

"**Limitation Date**" means, in respect of a Credit Event that is a Restructuring, the first of 20 March, 20 June, 20 September or 20 December in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the "**2.5-year Limitation Date**"), 5 years (the "**5-year Limitation Date**"), 7.5 years, ten years (the "**10-year Limitation Date**"), 12.5 years, 15 years or 20 years, as applicable. Limitation Dates shall not be subject to adjustment unless otherwise provided in the Issue Terms.

"**Restructured Bond or Loan**" means an Obligation that is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"**Restructuring Date**" means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Physical Settlement Matrix**" means the "Credit Derivatives Physical Settlement Matrix" as most recently amended or supplemented as at the Initial Fixing Date (unless otherwise specified in the relevant Issue Terms) and as published by ISDA on its website at www.isda.org (or any successor website).

13.10.3 Deliverable Obligations where the Transaction Type is Standard Emerging European Corporate LPN

Where a Reference Entity is specified to have a Transaction Type of 'Standard Emerging European Corporate LPN' or where this Credit Linked Condition 13.10.3 is stated to be applicable in the Issue Terms, the following shall apply:

a. 'Multiple Holder Obligation' will be 'Not Applicable' with respect to any Reference Obligation (and any Underlying Loan).

b. Each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, and, in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.

c. Each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, including, but not limited to, the definition thereof, and, in particular, notwithstanding that the obligation is not an obligation of the Reference Entity. With respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the Outstanding Principal Balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation. The Not Subordinated Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.

d. "**Reference Obligation**" means, as of the Initial Fixing Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the Issue Terms or set out on the relevant LPN Reference Obligations List (each a "**Markit Published LPN Reference Obligation**"), as published by Markit Group Limited, or any successor thereto, which list is currently available at http://www.markit.com/marketing/services.php (or any successor page thereto), any Additional LPN, determined in accordance with Credit Linked Condition 13.10.3f. below, and each Additional Obligation. Each Reference Obligation determined in accordance with the foregoing will be a Reference Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity. It is intended that there may be more than one Reference Obligation, as a result of which all applicable references in these Credit Linked Conditions to 'the Reference Obligation' shall be construed as a reference to 'a Reference Obligation', and all other provisions of these Credit Linked Conditions shall be construed accordingly.

e. Credit Linked Conditions 13.9.3 (Substitute Reference Obligation) and 13.9.4 (*Substitution Event*) shall not be applicable in respect of LPN Reference Obligations.

f. "**Additional LPN**" means any bond issued in the form of a loan participation note (an "**LPN**") by an entity (the "**LPN Issuer**") for the sole purpose of providing funds for the LPN Issuer to (a)

finance a loan to the Reference Entity (the "**Underlying Loan**"), or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the "**Underlying Finance Instrument**"); provided that: (I) either (A) in the event that there is an Underlying Loan with respect to such LPN, the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity, or (B) in the event that there is an Underlying Finance Instrument with respect to such LPN, the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics; (II) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency-Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (III) the LPN Issuer has, as at the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs. "**First Ranking LPN Interest**" means a charge, or security interest (or other type of interest having similar effect) (an "LPN Interest") which is expressed as being 'first ranking', 'first priority' or similar ("**First Ranking LPN**") in the document creating such LPN Interest (notwithstanding that such LPN Interest may not be First Ranking LPN under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).

g. "**LPN Reference Obligation**" means each Reference Obligation other than any Additional Obligation. Any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation. Each LPN Reference Obligation is issued for the sole purpose of providing funds for the LPN Issuer to finance a loan to the Reference Entity. For the purposes of these Credit Linked Conditions, each such loan shall be an Underlying Loan.

h. "**Additional Obligation**" means each of the obligations listed as an Additional Obligation of the Reference Entity in the Issue Terms or set out on the relevant LPN Reference Obligations List, as published by Markit Group Limited, or any successor thereto, as at the Initial Fixing Date, which list is currently available at http://www.markit.com/marketing/services.php (or any successor page thereto).

13.10.4 Monoline Insurer as Reference Entity

Where 'Monoline Provisions' is specified to be applicable with respect to any Reference Entity, the following amendments shall be made to the Credit Linked Conditions.

a. Additional Definitions

"**Qualifying Policy**" means a financial guarantee insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments (as defined below) of an instrument that constitutes Borrowed Money (modified as set out below) (the "**Insured Instrument**") for which another party (including a special purpose entity or trust) is the obligor (the "**Insured Obligor**"). Qualifying Policies shall exclude any arrangement (1) structured as a surety bond, letter of credit or equivalent legal arrangement or (2) pursuant to the express contractual terms of which the payment obligations of the Reference Entity can be discharged or reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than the payment of Instrument Payments). The benefit of a Qualifying Policy must be capable of being Delivered together with the Delivery of the Insured Instrument.

"**Instrument Payments**" means (i) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (a) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (b) the ultimate distribution of the Certificate Balance on or prior to a specified date and (ii) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (i) and (ii), (I) determined without regard to limited recourse or reduction provisions of the type described in Credit Linked Condition 13.10.4c. (A) below and (II) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

"**Certificate Balance**" means, in the case of an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measure of unreimbursed principal investment.

b. The definitions of 'Obligation' and 'Deliverable Obligation' are amended by adding 'or Qualifying Policy' after 'or as provider of a Relevant Guarantee'.

c. In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, the terms of the definition thereof will apply, with references to the 'Relevant Guarantee', the 'Underlying Obligation' and the 'Underlying Obligor' deemed to include the Qualifying Policy, the Insured Instrument and the Insured Obligor, respectively, except that:

   (i) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Deliverable Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms 'obligation' and 'obligor' as used in these Credit Linked Conditions in respect of such an Insured Instrument shall be construed accordingly;

      (A) references in the definitions of 'Assignable Loan' and 'Consent Required Loan' to the 'guarantor' and 'guaranteeing' shall be deemed to include the insurer and insuring, respectively

      (B) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured, whether or not that characteristic is otherwise specified as applicable in the Issue Terms;

      (C) if the 'Assignable Loan', 'Consent Required Loan', 'Direct Loan Participation' or 'Transferable' Deliverable Obligation Characteristics are specified in the Issue Terms and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument;

      (D) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term 'maturity', as such term is used in the Maximum Maturity Deliverable Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and

(E) with respect to a Qualifying Policy and an Insured Instrument, only the Qualifying Policy must satisfy on the relevant date or dates the 'Not Subordinated' Obligation Characteristic or Deliverable Obligation Characteristic, if applicable.

d. **Outstanding Principal Balance**. References in the definition of 'Outstanding Principal Balance' to a 'Guarantee', the 'Underlying Obligation' and the 'Underlying Obligor' shall be deemed to include a Qualifying Policy, the Insured Instrument and the Insured Obligor respectively. Any provisions of an Insured Instrument limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument shall be disregarded for the purposes of the definition of 'Outstanding Principal Balance', provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction.

e. "**Deliver**", with respect to an obligation that is a Qualifying Policy, means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and 'Delivery' and 'Delivered' will be construed accordingly.

f. **Provisions for Determining a Successor**. Credit Linked Conditions 13.9.1a. , 13.9.1d. and 13.9.1f. are hereby amended by adding 'or Qualifying Policy' after each occurrence of 'a Relevant Guarantee'. Credit Linked Conditions 13.9.1f. is hereby amended by adding 'or provider of a Qualifying Policy' after 'as guarantor or guarantors'.

g. **Original Non-Standard Reference Obligation, Substitute Reference Obligation and Substitution Event**. The definitions of 'Original Non-Standard Reference Obligation', 'Substitute Reference Obligation' and Credit Linked Condition 13.9.4 (Substitution Event) are hereby amended by adding 'or Qualifying Policy' after 'a guarantee'.

h. Restructuring

With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, paragraphs (i) to (v) of the definition of 'Restructuring' is hereby amended to read as follows:

(ii) a reduction in the rate or amount of the Instrument Payments described in paragraph (i)(a) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);

(A) a reduction in the amount of the Instrument Payments described in paragraph (i)(b) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);

(B) a postponement or other deferral of a date or dates for either (1) the payment or accrual of the Instrument Payments described in paragraph (i)(a) of the definition thereof or (2) the payment of the Instrument Payments described in paragraph (i)(b) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;

(C) a change in the ranking in priority of payment of (1) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (2) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, 'Subordination' will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or

(D) any change in the currency of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

i. Paragraph (d) of the definition of 'Restructuring' shall be amended by adding 'or, in the case of Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy' at the end thereof.

j. For purposes of the definition of 'Restructuring', the term 'Obligation' shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the 'Reference Entity' in the first paragraph of the definition shall be deemed to refer to the Insured Obligor and the reference to the 'Reference Entity' in the second paragraph thereof shall continue to refer to the Reference Entity.

k. In the event that a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition and, if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument. References in the definition of 'Conditionally Transferable Obligation' to the 'guarantor' and 'guaranteeing' shall be deemed to include the insurer and insuring, respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term 'final maturity date', as such term is used in Credit Linked Conditions 13.10.1 (Mod R) and 13.10.2 (Mod Mod R) and the definition of 'Restructuring Maturity Limitation Date', shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

l. For purposes of the definitions of 'Prohibited Action', 'Credit Event' and 'Deliver', references to the 'Underlying Obligation' and the 'Underlying Obligor' shall be deemed to include Insured Instruments and the Insured Obligor, respectively. Any transfer or similar fee reasonably incurred by the Issuer in connection with the Delivery of a Qualifying Policy and payable to the Reference Entity shall be part of the Settlement Expenses.

13.11 Additional Provisions for CoCo CLP

"**CoCo CLP**" means a Credit Linked Product where the timing and/or amount of payments of interest and/or principal is determined with reference to an Obligation which contains a CoCo Provision.

"**CoCo Provision**" means, with respect to an Obligation, a provision which requires (1) a permanent or temporary reduction of the amount of principal payable at redemption or (2) a conversion of principal into shares or another instrument, in each case, at or below the Trigger Percentage of the Capital Ratio.

A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Credit Linked Conditions.

If the operation of a CoCo Provision results in (1) a permanent or temporary reduction of the amount of principal payable at redemption or (2) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention.

"**Trigger Percentage**" means the trigger percentage specified in the related Issue Terms (or if no such trigger percentage is specified, seven per cent. (7%)).

"**Capital Ratio**" means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

13.12 Representations

By its holding of a Credit Linked Product, each Investor is deemed to acknowledge and agree that:

a. none of the Issuer, the Manager or any of their Affiliates has made any representation whatsoever with respect to any Reference Entity, any Reference Obligation, any Obligation, any Deliverable Obligation, any Underlying Obligor or any Underlying Obligation on which it is relying or is entitled to rely;

b. the Issuer will be entitled to perform its obligations under the Credit Linked Products in accordance with the relevant CLP Settlement Method applicable to such Credit Linked Products, irrespective of the existence or amount of the Issuer's credit exposure to a Reference Entity, and the Issuer need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event;

c. the Credit Linked Products do not create any rights or impose any obligations in respect of any entity that is not the Issuer;

d. the Issuer, the Calculation Agent and each of their Affiliates may deal in each Reference Obligation, Obligation, each Deliverable Obligation and each Underlying Obligation and may, where permitted, accept deposits from or make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, a Reference Entity, any Affiliate of a Reference Entity, any Underlying Obligor or any other person or entity having obligations relating to a Reference Entity, any Underlying Obligor or any Affiliate of a Reference Entity or of any Underlying Obligor, and may act (but is not obliged to act) with respect to such business in the same manner as each of them would if the Credit Linked Products did not exist, regardless of whether any such action might have an adverse effect on a Reference Entity, any Underlying Obligor or any Affiliate of a Reference Entity or of any Underlying Obligor

or the position of the Investors or otherwise (including, without limitation, any action which might constitute or give rise to a Credit Event); and

e. the Issuer, the Calculation Agent and each of their Affiliates may, whether by virtue of the types of relationship described herein or otherwise, on the Initial Fixing Date or at any time thereafter, be in possession of information in relation to a Reference Entity, any Underlying Obligor or any Affiliate of a Reference Entity or of any Underlying Obligor that is or may be material in the context of such Credit Linked Products and that may or may not be publicly available or known to the Investors, and the Credit Linked Products do not create any obligation on the part of such entity to disclose to the Investors any such relationship or information (whether or not confidential).

With respect to the Credit Derivatives Determinations Committees, each Investor is deemed to agree:

(i) that no DC Party and no legal counsel or other third-party professional hired by a DC Party in connection with such DC Party's performance of its respective duties under the DC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, shall be liable, whether for negligence or otherwise, to the Issuer or any Investor for any form of damages, whether direct, indirect, special, consequential or otherwise, that might arise in connection with such DC Party's performance of its duties, or any advice given by legal counsel or any other third-party professional hired by such DC Party in connection with such DC Party's performance of its respective duties, under the DC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the DC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;

(ii) to waive any claim, whether for negligence or otherwise, that may arise against a DC Party and any legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the DC Rules, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the DC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;

(iii) unless otherwise specified in the Issue Terms, any DC Resolution of the relevant Credit Derivatives Determinations Committee that is applicable to the Credit Linked Products, including a DC Resolution that reverses a previous DC Resolution, as determined by the Calculation Agent shall be binding on it:

(A) provided that:

if effect of such DC Resolution would reverse (A) a prior DC Resolution of the relevant Credit Derivatives Determinations Committee, (B) any determination by the Calculation Agent that is effectively notified to the Issuer, the relevant Agent and the

Investors in respect of the relevant Product prior to the fifth Business Day which immediately precedes the Successor Resolution Request Date, as applicable, or (C) the occurrence of an Event Determination Date, that, in any case, has resulted in:

(1) the identification of one or more Successors;

(2) the identification of one or more Substitute Reference Obligations; or

(3) the occurrence of an Auction Final Price Determination Date, Physical Settlement Date or Redemption Date, as applicable, or to the extent that a CLP Valuation Date or Delivery Date, as applicable, has occurred, in each case, on or prior to the date that the DC Secretary publicly announces such DC Resolution of the relevant Credit Derivatives Determinations Committee),

then such DC Resolution shall not be effective for purposes of the Products, or, in the case of a CLP Valuation Date or Delivery Date only, shall not be effective to the extent that a CLP Valuation Date or Delivery Date has occurred; and

(B) notwithstanding:

(1) these Credit Linked Conditions may require such determination to be made by the Calculation Agent; or

(2) in order to reach such DC Resolution, the relevant Credit Derivatives Determinations Committee may be required to Resolve one or more factual matters before being able to reach such DC Resolution; and

(3) any actual or perceived conflict of interest on the part of a DC Party, legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the DC Rules;

(iv) no DC Party is (A) under any obligation to research, investigate, supplement, or verify the veracity of any information on which the relevant Credit Derivatives Determinations Committee bases its decision and (B) acting as a fiduciary for, or as an adviser to, any Investor in connection with the relevant Products; and

(v) in reaching any DC Resolution that is applicable to such Credit Linked Products, the relevant Credit Derivatives Determinations Committee shall be under no requirement to consult with, or individually notify, any Investor, notwithstanding any provision of these Credit Linked Conditions to the contrary.

Each Investor shall be deemed to acknowledge the disclaimers set out in section 5.1(B) of the DC Rules on the Initial Fixing Date. A copy of the DC Rules is available at https://www.cdsdeterminationscommittees.org/ (or any successor page thereto).

13.13 Amendment to General Condition 17 (*Taxation/Tax Call*)

Notwithstanding anything to the contrary in the General Terms and Conditions (including, without limitation, General Condition VII.17 (Taxation/Tax Call) thereof) or these Credit Linked Conditions, except as otherwise specified in the Issue Terms, the Issuer will not be liable for or otherwise obliged to pay any Taxes which may arise as a result of the ownership, transfer, presentation and surrender for payment or enforcement of any Products and all payments in respect of the Products shall be

made subject to any withholding or deduction for, any present or future Taxes of whatever nature which may be required to be made, paid, withheld or deducted. The Issuer is not obliged to redeem the Products early as a result of, or make any additional payments to Investors in respect of, any amount so withheld or deducted.

13.14 Additional Disruption Events

In addition to each Market Disruption Event applicable to a Product as set out in the General Terms and Conditions, Increased Cost of Hedging Due to Market-Wide Change in Standard CDS Documentation shall be an additional Disruption Event with respect to each Credit Linked Product, where:

"**Increased Cost of Hedging Due to Market-Wide Change in Standard CDS Documentation**" means that if the Calculation Agent determines that, as of the relevant time on the relevant date, the majority of the first eight 'Eligible Global Dealers' on the 'Global Dealer Trading Volume List' as determined for the most recent 'List Review Date' (in each case, as defined in the DC Rules) as at the relevant time sign up to a credit default swap industry-wide protocol or similar agreement to document credit default swaps by way of documentation differing from the prevailing market standard credit default swap documentation existing as of the Initial Fixing Date in respect of a Credit Linked Product, the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Initial Fixing Date) amount of tax, duty, expense or fee (other than brokerage commissions) and/or materially increased (as compared with circumstances existing on the Initial Fixing Date) costs related to that Credit Linked Product, including without limitation internal charges of the Issuer and/or any of its Affiliates in terms of potentially increasing its risk asset weighting and/or worsening any other leverage ratio treatment or any other such capital measure to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Credit Linked Product, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

If a Disruption Event occurs at any time prior to the redemption of the Products (including after the occurrence of a Relevant Event Determination Date), the Products may be redeemed at the Early Redemption Amount pursuant to Issue Terms and the General Terms and Conditions instead of at the Credit Event Redemption Amount pursuant Credit Linked Condition 13.3 (Redemption of Cash Settled CLPs).

13.15 Issuer Call Option

13.15.1 Scope

The Issuer Call Option shall apply to all Products in respect of which an Issuer Call Option is specified in the Issue Terms.

13.15.2 Issuer Call

If the Issuer Call Option is specified to be 'Applicable' in the Issue Terms, unless the Products have been previously redeemed or purchased and cancelled, the Issuer may exercise its option to redeem all (but not some only) of the outstanding Products on any Issuer Call Option Exercise Date at (i) the Redemption Amount or (ii) Issuer Call Option Redemption Amount, as specified in the Issue Terms, by giving not less than the Issuer Call Option Notice Period notice prior to such Issuer Call Option

Exercise Date to the Investors in accordance with General Condition VII.19 (Notices). Such notice (the "Issuer Call Option Redemption Notice") shall specify the Issuer Call Option Exercise Date in respect of which the Issuer intends to exercise its Issuer Call Option and shall designate a Final Fixing Date (if specified as applicable). If the Issuer has exercised its Issuer Call Option, the Products will be redeemed on the relevant Issuer Call Option Redemption Date with the last Coupon Payment Date, if applicable, being the Issuer Call Option Redemption Date

13.16 Definitions and Interpretations applicable to Credit Linked Products

13.16.1 Certain general definitions relating to Credit Linked Products

"**Accrued Interest**" means with respect to a Credit Linked Product for which:

a. 'Physical Settlement' is specified to be the CLP Settlement Method (or for which Physical Settlement is applicable as the Fallback CLP Settlement Method in accordance with the terms relating to Auction Settlement), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless 'Include Accrued Interest' is specified as applicable in the related Issue Terms, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest (as the Calculation Agent shall determine);

b. 'Cash Settlement' is specified to be the Settlement Method in the related Issue Terms (or if Cash Settlement is applicable as the Fallback CLP Settlement Method in accordance with the terms relating to Auction Settlement), and:

   (i) 'Include Accrued Interest' is specified as applicable in the related Issue Terms, the Outstanding Principal Balance of the Reference Obligation shall include accrued but unpaid interest;

   (ii) 'Exclude Accrued Interest' is specified as applicable in the related Issue Terms, the Outstanding Principal Balance of the Reference Obligation shall not include accrued but unpaid interest; or

   (iii) neither 'Include Accrued Interest' nor 'Exclude Accrued Interest' is specified as applicable in the related Issue Terms, the Calculation Agent shall determine, based on the then current market practice in the market of the Reference Obligation whether the Outstanding Principal Balance of the Reference Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or

c. Credit Linked Condition 13.5.4 (Partial Cash Settlement Terms) is applicable, the Calculation Agent shall determine, after consultation with the Issuer, based on the then current market practice in the market of the relevant Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation, whether such Quotations shall include or exclude accrued but unpaid interest.

"**Additional Business Centre**" means any other city specified in the Issue Terms.

"**Calculation Agent City**" means the city specified as such in the Issue Terms or, if a city is not so specified:

(i) in respect of a Reference Entity the Transaction Type of which is North American Corporate, Standard North American Corporate, Latin America Corporate B, Standard Latin America Corporate B, Latin America Corporate BL, Standard Latin America Corporate BL, Latin America Sovereign or Standard Latin America Sovereign, New York;

(ii) in respect of a Reference Entity the Transaction Type of which is Australia Corporate, New Zealand Corporate, Singapore Corporate, Asia Corporate, Asia Sovereign, Australia Sovereign, New Zealand Sovereign, Singapore Sovereign, Standard Australian Financial Corporate, Standard New Zealand Financial Corporate, Standard Singapore Financial Corporate, Standard Asia Financial Corporate, Standard Asia Sovereign, Standard Australia Sovereign, Standard New Zealand Sovereign, or Standard Singapore Sovereign, London;

(iii) in respect of a Reference Entity the Transaction type of which is Japan Corporate, Japan Sovereign, Standard Japan Financial Corporate or Standard Japan Sovereign, Tokyo; and

(iv) in respect of any other Reference Entity, London.

"**Calculation Agent City Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the Calculation Agent City.

"**Cash Settled CLPs**" means either:

a. Products in respect of which the CLP Settlement Method is specified as 'Cash Settlement' or 'Auction Settlement' in the Issue Terms; or

b. Products in respect of which the Issuer CLP Settlement Option has been designated as applicable and in respect of which the CLP Settlement Method has been selected by the Issuer upon the occurrence of an Event Determination Date to be 'Cash Settlement'.

"**Credit Derivatives Determinations Committee**" means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with swap transactions that incorporate the 2014 ISDA Credit Derivatives Definitions as published by the International Swaps and Derivatives Association Inc (and as supplemented or amended from time to time).

"**Credit Event Backstop Date**" means (a) for purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (b) of the definition thereof) as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date, or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the Notice Delivery Date, if the Notice Delivery Date occurs during the Notice Delivery Period or, where there is a Products Extension Date, on or prior to the Products Extension Date and (ii) the Credit Event Resolution Request Date, if the Credit Event Resolution Request Date occurs on or prior to the Products Extension Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**Credit Event Notice**" means an irrevocable notice from the Issuer (which may be in writing (including by facsimile and/or email) and/or by telephone) to the relevant Agent that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date. A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred, unless provided pursuant to the publication of a DC Credit Event Announcement. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"**Credit Event Observation Period**" means the Credit Event Observation Period specified in the Issue Terms.

"**Credit Event Redemption Amount**" means, unless otherwise specified in the Issue Terms, in respect of each Product and any Event Determination Date, an amount equal to the CLP Cash Settlement Amount minus such Product's pro rata share of the Settlement Expenses and Swap Costs, subject to a minimum of zero.

"**Credit Event Resolution Request Date**" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"**DC Announcement Coverage Cut-off Date**" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable.

"**DC Credit Event Announcement**" means, with respect to any Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that if the Credit Event occurred after the Scheduled Redemption Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

"**DC Credit Event Meeting Announcement**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"**DC Credit Event Question Dismissal**" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"**DC Credit Event Question**" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

"**DC No Credit Event Announcement**" means, with respect to any Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event.

"**DC Party**" has the meaning given to that term in the DC Rules.

"**DC Resolution**" means a resolution made by a relevant Credit Derivatives Determinations Committee or, if the context requires, the meaning given to that term in the DC Rules.

"**DC Rules**" means the Credit Derivatives Determinations Committees Rules, as made available on the website of the Credit Derivatives Determinations Committees at

https://www.cdsdeterminationscommittees.org/ (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

"**DC Secretary**" has the meaning given to that term in the DC Rules.

"**Event Determination Date**" means, in respect of any Reference Entity: the Notice Delivery Date, provided that the Notice Delivery Date occurs during either the Notice Delivery Period or at any point thereafter on or prior to the Products Extension Date.

No Event Determination Date will occur, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a related CLP Valuation Date, related Physical Settlement Date (or, if earlier, a Delivery Date) or the Scheduled Redemption Date or Deferred Redemption Date, as applicable, a DC No Credit Event Announcement Date occurs (including without limitation prior to the Notice Delivery Date) with respect to the relevant Reference Entity or Obligation thereof and the Credit Event specified in the Credit Event Notice.

If a DC Credit Event Announcement occurs, the Issuer may elect (by notice in the Credit Event Notice) that the Event Determination Date be the later of the Issue Date and the Credit Event Resolution Request Date.

If, in accordance with the provisions above, (i) following the determination of an Event Determination Date, such Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date or (B) not to have occurred or (ii) an Event Determination Date is deemed to have occurred prior to a preceding Interest Payment Date, the Calculation Agent will determine (I) the adjustment payment, if any, that is payable to reflect any change that may be necessary to the amounts previously calculated and/or paid in respect of the Credit Linked Products and (II) the date on which such adjustment payment is payable, if any. No accruals of interest shall be taken into account when calculating any such adjustment payment.

"**Exercise Cut-off Date**" means with respect to an M(M)R Restructuring and the delivery of a Credit Event Notice under Credit Linked Conditions 13.2.3 (*Credit Event Notice after M(M)R Restructuring*),

(i) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms, the Date that is two Relevant City Business Days following the date on which such Final List is published; or

(ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

"**Extension Date**" means, in respect of any Reference Entity, the latest of (a) the Scheduled Redemption Date, (b) the Grace Period Extension Date if (i) 'Failure to Pay' and 'Grace Period Extension' are specified as applicable in the related Issue Terms and (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Redemption Date and (c) the Repudiation/Moratorium Evaluation Date (if any) if 'Repudiation/Moratorium' is specified as applicable in the related Issue Terms, as applicable.

"**Final List**" has the meaning given to that term in the DC Rules.

"**Grace Period**" means:

(i) subject to paragraphs (ii) and (iii) below, the applicable grace period with respect to payments under and in accordance with the relevant Obligation under the terms of such Obligation in effect as at the date as at which such Obligation is issued or incurred;

(ii) if 'Grace Period Extension' is specified as applicable in the Issue Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Redemption Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Redemption Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the Issue Terms or, if no period is specified, 30 calendar days; and

(iii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless 'Grace Period Extension' is specified as applicable in the Issue Terms, such deemed Grace Period shall expire no later than the Scheduled Redemption Date.

"**Grace Period Extension Date**" means, if (a) 'Grace Period Extension' is specified as applicable in the Issue Terms and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Redemption Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If 'Grace Period Extension' is not specified as applicable in the Issue Terms, Grace Period Extension shall not apply.

"**Grace Period Business Day**" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and, if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Business Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

"**Index**" means, in respect of Index CLP, the relevant "Credit Index" as specified in the relevant Issue Terms.

"**Index Annex**" means, in respect of Index CLP, portfolio of Reference Entities and related terms comprising the relevant Credit Index with the relevant Index Annex Date published by the Index Publisher specified in the relevant Issue Terms and which can be accessed at the web address specified in the relevant Issue Terms (if applicable) or any successor website thereto. The Index Annex will be deemed amended from time to time to reflect any modifications resulting from Credit Linked Condition 13.9, and the definitions of Reference Entity, Reference Obligation, Standard Reference Obligation, Substitute Reference Obligation and Successor as set out in Credit Linked Products 13.15 shall be construed accordingly, provided that any related determinations of a relevant Index Sponsor shall be binding on the Issuer, Calculation Agent and Investors if and to the extent that the Calculation Agent determines that such determination would be binding on the parties to an over-the-counter credit default swap on market standard terms referencing the relevant Index.

"**Index Annex Date**" means, in respect of Index CLP, the date specified as such in the relevant Issue Terms.

"**Index Publisher**" means, in respect of Index CLP and the related Index Annex, the entity specified as such or, following the Issue Date of the relevant Index CLP any replacement appointed by the Index Sponsor for purposes of officially publishing the relevant Index.

"**Index Sponsor**" means, in respect of Index CLP, the entity specified as such in the relevant Issue Terms.

"**Interest Expiration Date**" means the earlier to occur of the day prior to (a) the Scheduled Redemption Date and (b) if 'Credit Event Accrued Interest' is specified as not applicable in the Issue Terms, the Interest Payment Date (or Issue Date where no Interest Payment Date has occurred) occurring on or immediately preceding the Relevant Event Determination Date or (c) otherwise, the Relevant Event Determination Date.

"**Interest Payment Date**" means a Coupon Payment Date as specified in the Issue Terms.

"**ISDA Terms**" means the standard terms and conditions are referred to as the "ISDA Credit Derivatives Definitions" and published by ISDA to its members.

"**Liquidation Amount**" means an amount expressed in the Settlement Currency equal to (a) the Denomination less (b) the pro rata share of all losses for unwinding or the settlement of any Hedge Positions relating to the Reference Entity less (c) the pro rata share of any costs generated by the unwind or settlement of such Hedge Positions, provided that:

(i) such amount shall be calculated by the Calculation Agent in its discretion;

(ii) in the event that the Issuer receives delivery of the Hedging Positions, the Issuer shall try to sell such Hedging Positions on the market within 20 calendar days upon receipt of the delivery; and

(iii) if the Issuer is unable to proceed with such sale, the Issuer shall act as buyer of such Hedge Positions, taking into account a price it determines in its discretion, taking into account the prevailing market conditions (provided that such price may, depending on such market conditions, be zero).

"**M(M)R Restructuring**" means a Restructuring Credit Event in respect of which either 'Mod R' or 'Mod Mod R' is applicable.

"**Notice Delivery Date**" means the first date on which both an effective Credit Event Notice and, unless 'Notice of Publicly Available Information' is specified as not applicable in the Issue Terms, an effective Notice of Publicly Available Information, have been delivered by the Issuer.

"**Notice Delivery Period**" means, in respect of any Reference Entity, the period from and including the Initial Fixing Date to and including the day that is 25 calendar days after the Extension Date.

"**Notice of Publicly Available Information**" means an irrevocable notice from the Issuer delivering the relevant Credit Event Notice or Repudiation/Moratorium Extension Notice that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If 'Notice of Publicly Available Information' is applicable to a Product and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or

Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

"**Nth Event Determination Date**" means, in respect of the Reference Portfolio, the Event Determination Date that is the Nth to occur in respect of such Reference Portfolio following the Initial Fixing Date where 'N' is the number specified as such in the Issue Terms.

"**Permitted Contingency**" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

a. as a result of the application of:

   (i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;

   (ii) provisions implementing the Subordination of the obligation;

   (iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);

   (iv) any Solvency Capital Provisions, if 'Subordinated European Insurance Terms' is specified as applicable in the related Issue Terms; or

   (v) provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if 'Financial Reference Entity Terms' is specified as applicable in the related Issue Terms; or

b. which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

"Physically Delivered CLPs" means either:

a. Products in respect of which the CLP Settlement Method is specified as 'Physical Settlement' and in respect of which settlement occurs by way of Delivery of the Deliverable Obligations Portfolio; or

b. Products in respect of which the Issuer CLP Settlement Option has been designated as applicable and in respect of which the CLP Settlement Method has been selected by the Issuer upon the occurrence of an Event Determination Date to be 'Physical Settlement'.

"**Post Dismissal Additional Period**" means the period from and including the date of the DC Credit Event Question Dismissal to and including a day that is three Business Days following the date that is 14 calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Initial Fixing Date)).

"**Potential Failure to Pay**" means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without

regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

"**Prohibited Action**" means any counterclaim, defence (other than a counterclaim or defence based on the factors set out in paragraphs (a) to (d) of the definition of 'Credit Event') or right of setoff by or of the Reference Entity or any applicable Underlying Obligor.

"**Public Source**" means each source of Publicly Available Information specified as such in the Issue Terms (or, if no such source is specified in the Issue Terms, each of Bloomberg, Refinitiv, Dow Jones Newswires, The Wall Street Journal, The New York Times (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"**Publicly Available Information**" means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which:

(i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information;

(ii) is information received from or published by (A) a Reference Entity (or for a Reference Entity which is a Sovereign any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or

(iii) is information contained in any order, decree, notice, petition or filing, howsoever described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in paragraph (b) or (c) above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

In relation to any information of any type described in paragraph (b) or (c) above, the relevant Agent may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality of such information and that the party disclosing such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the person receiving such information.

Publicly Available Information need not state (a) in relation to the definition of 'Downstream Affiliate', the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity and (b) that the relevant occurrence (i) has met the Payment Requirement or Default Requirement, (ii) is the result of exceeding any applicable Grace Period or (iii) has met the subjective criteria specified in certain Credit Events.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both paragraphs (i) and (ii) of the definition of 'Repudiation/Moratorium'.

"**Relevant City Business Day**" means has the meaning given to it in the DC Rules.

"**Relevant Credit Event**" means:

(i) in the case of a Single Name CLP, the Credit Event in relation to the first Event Determination Date to occur with respect to the Reference Entity;

(ii) in the case of an Nth-to-Default CLP, the Credit Event in relation to the Nth Event Determination Date to occur with respect to the Reference Portfolio;

(iii) in the case of a Portfolio CLP and any particular Reference Entity, the Credit Event in relation to the first Event Determination Date to occur with respect to such Reference Entity; and

(iv) in the case of any other Products, as specified in the applicable Issue Terms.

"**Relevant Event Determination Date**" means the Event Determination Date occurring with respect to a Relevant Credit Event.

"**Resolve**" has the meaning given to that term in the DC Rules, and "Resolved" and "Resolves" shall be interpreted accordingly.

"**Scheduled Redemption Date**" means the date specified as the Redemption Date in the Issue Terms, provided that if the Issuer Call Option is specified to be 'Applicable' in the Issue Terms, in respect of each Product for which the Issuer has exercised its Issuer Call Option, the Scheduled Redemption Date shall be the Issuer Call Option Redemption Date.

"**Specified Number**" means, unless otherwise specified in the Issue Terms, two.

"**Swap Costs**" means an amount determined by the Calculation Agent equal to any loss or costs incurred (or expected to be incurred) by or on behalf of the Issuer as a result of its terminating, liquidating, obtaining or re-establishing any hedge, term deposits, related trading position or funding arrangements entered into by it (including with its internal treasury function) in connection with the Products.

"**Transaction Type**" means, for the purposes of the application of the Physical Settlement Matrix, the transaction type specified in in respect of each Reference Entity in the relevant Issue Terms.

13.16.2 Reference Entities and Obligations

"**Deliverable Obligation**" means, subject to Credit Linked Condition 13.10 (Additional Provisions relating to Deliverable Obligations):

(i) any obligation of a Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in these Credit Linked Conditions;

(ii) the Standard Reference Obligation or the Non-Standard Reference Obligation, as applicable;

(iii) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and

(iv) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if 'Financial Reference Entity Terms' is specified as applicable in the Issue Terms) or any Package

Observable Bond (if the Reference Entity is a Sovereign), or any Asset Package in lieu of such Prior Deliverable Obligation or Package Observable Bond; and

(v) any other obligation of a Reference Entity specified as such in the Issue Terms,

in each case, (i) unless it is an Excluded Deliverable Obligation and (ii) provided that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for purposes of sub-paragraph (d) above, immediately prior to the relevant Asset Package Credit Event).

"**Excluded Deliverable Obligation**" means:

(i) any obligation of the Reference Entity specified as such or of a type specified in the Issue Terms;

(ii) any principal only component of a Bond from which some or all of the interest components have been stripped; and

(iii) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

"**Excluded Obligation**" means:

(i) any obligation of the Reference Entity specified as such or of a type described in the Issue Terms;

(ii) if 'Financial Reference Entity Terms' and 'Senior Product' are specified as applicable in the Issue Terms, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

(iii) if 'Financial Reference Entity Terms' and 'Subordinated Product' are specified as applicable in the Issue Terms, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"**Obligation**" means:

(i) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in 'Method for determining Obligations' under Credit Linked Conditions 13.16.3 below; and

(ii) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

The "**Outstanding Principal Balance**" of an obligation will be calculated as follows:

(i) first, by determining, in respect of the obligation, the amount of the relevant Reference Entity's principal payment obligations and, where applicable in accordance with the definition of Accrued Interest, the relevant Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (i) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the relevant Reference Entity were references to the Underlying Obligor) and (ii) the amount of the Fixed Cap, if any);

(ii) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (i) is subject to any Prohibited Action, or (ii) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (A) payment or (B) a Permitted Contingency) (the amount determined in sub-paragraph (a) above of the definition of "Outstanding Principal Balance" less any amounts subtracted in accordance with this sub-paragraph (b), the "**Non-Contingent Amount**"); and

(iii) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

(A) unless otherwise specified, in accordance with the terms of the obligation in effect on either (I) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date), or (II) the Valuation Date, as applicable; and

(B) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

For the purpose of this definition of "Outstanding Principal Balance":

(i) where "Fallback Discounting" applies as set out below, "**applicable laws**" shall include any bankruptcy or insolvency law or other law affecting creditors' rights to which the relevant obligation is, or may become, subject;

(ii) "**Quantum of the Claim**" means the lowest amount of the claim which could be validly asserted against the relevant Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount; and

(iii) if "**Fallback Discounting**" is specified as applicable in the applicable Issue Terms or is applicable pursuant to the terms of the applicable Transaction Type specified in respect of a Reference Entity in the Issue Terms, then notwithstanding the above, if (x) the Outstanding Principal Balance of an obligation is not reduced or discounted under sub-paragraph (c)(B) above, (y) that obligation is either a Bond that has an issue price less than 95 per cent. of the principal redemption amount or a Loan where the amount advanced is less than 95 per cent. of the principal repayment amount and, (z) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (I) the Non-Contingent Amount; and (II) an amount determined by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.

For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than 95 per cent. of the principal redemption amount or principal repayment amount (as applicable) or, where applicable, for applying straight line interpolation:

(iv) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the "**Original Obligation(s)**") at the time of such exchange (determined without regard to market or trading value of the Original Obligation(s)); and

(v) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the relevant Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

In circumstances where a holder would have received more than one obligation in exchange for the Original Obligation(s), the Calculation Agent will determine the allocation of the aggregate Outstanding Principal Balance of the Original Obligation(s) amongst each of the resulting obligations for the purpose of determining the issue price or amount advanced of the relevant Bond or Loan. Such allocation will take into account the interest rate, maturity, level of subordination and other terms of the obligations that resulted from the exchange and shall be made by the Calculation Agent in accordance with the methodology (if any) determined by the relevant Credit Derivatives Determinations Committee.

"**Prior Deliverable Obligation**" means:

(i) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within paragraphs (a) or (b) of the definition of 'Deliverable Obligation', in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

(ii) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

"**Package Observable Bond**" means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within paragraphs (a) or (b) of the definition of 'Deliverable Obligation', in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"**Reference Entity**" means, subject to the provisions of the Credit Linked Condition 13.9 (Additional provisions in respect of a Successor), in respect of Single Name CLP, Portfolio CLP (excluding Index CLP) and Nth-to-Default CLP, each entity specified as such in the relevant Issue Terms and in respect of Index CLP, each entity specified as such in the relevant Index Annex. Any Successor to the

Reference Entity either (a) identified by the Calculation Agent pursuant to Credit Linked Condition 13.9.1 (Provisions for determining a Successor) on or following the Initial Fixing Date, or (b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Initial Fixing Date shall, in each case, with effect from the Succession Date, be the Reference Entity for the relevant Product or a New Product (as determined pursuant to such Credit Linked Condition 13.9.1 (Provisions for determining a Successor)).

"**Reference Entity Notional Amount**" means, in respect of a Reference Entity, the amount specified in the Issue Terms, in each case subject to adjustment in accordance with Credit Linked Condition 13.9; if no such amount is specified in the Issue Terms, the Reference Entity Notional Amount for each Reference Entity on any day shall be the aggregate Calculation Amount of Products outstanding on such day, divided by the number of Reference Entities in the Reference Portfolio on such day.

"**Reference Entity Weighting**" means, in respect of (i) Portfolio CLP (excluding Index CLP) and a Reference Entity in a Reference Portfolio, the percentage weighting specified for such Reference Entity in the relevant Issue Terms or (ii) Index CLP and a Reference Entity specified in the Index Annex, the percentage weighting specified for such Reference Entity in the Index Annex, or, in each case if no Reference Entity Weighting is specified for such Reference Entity, an amount (expressed as a percentage) equal to the Reference Entity Notional Amount of the Reference Entity to which the Relevant Credit Event relates, divided by the aggregate Calculation Amount of the Credit Linked Products in each case as at the Issue Date.

"**Reference Obligation**" means, in respect of a Reference Entity and subject to the Issue Terms:

a. for the purposes of 'Terms relating to Cash Settlement' or 'Terms relating to Physical Settlement and Delivery', an obligation of the Reference Entity satisfying the definition of Deliverable Obligation in accordance with these Credit Linked Conditions as selected by the Issuer in its discretion;

b. for all other purposes (including the determination of Seniority Level), the Standard Reference Obligation, described in the Issue Terms (if any are so specified or described) and any Substitute Reference Obligation identified in accordance with Credit Linked Condition 13.9.3 (Substitute Reference Obligation), unless:

   (i) 'Standard Reference Obligation' is specified as not applicable in the related Issue Terms, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any;

   (ii) If 'Standard Reference Obligation' is specified as not applicable in the related Issue Terms and 'Standard European Senior Non-Preferred Financial Corporate' is the applicable Transaction Type, then the Reference Obligation will be the Non-Standard Reference Obligation, if any, provided that, irrespective of any Original Non-Standard Reference Obligation specified in the related Confirmation, if (i) a Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity is specified on the SRO List, such Standard Reference Obligation shall be deemed to constitute the Reference Obligation, or (ii) no such Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity is specified on the SRO List but such Standard Reference Obligation has previously been specified on the SRO List, there shall be deemed to be no Reference Obligation applicable to the Products and such previously specified Senior Non-Preferred Level Standard Reference

Obligation of the Reference Entity shall be deemed to constitute the Prior Reference Obligation;

(iii) 'Standard Reference Obligation' is specified as applicable in the related Issue Terms (or no election is specified in the related Issue Terms), (A) there is no Standard Reference Obligation and (B) a Non-Standard Reference Obligation is specified in the related Issue Terms, in which case the Reference Obligation will be (1) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (2) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation; or

(iv) in respect of Index CLP, the Reference Obligation as specified in the Index Annex.

"**Reference Portfolio**" means the Reference Entity and Reference Obligation or the portfolio of Reference Entities and Reference Obligations, as the case may be, specified in the Issue Terms or in the Index Annex, as applicable, as the same may be amended from time to time in accordance with the provisions of the Credit Linked Conditions and the Issue Terms.

"**Sovereign Restructured Deliverable Obligation**" means an Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the Credit Event or a DC Credit Event Announcement has occurred and (b) which fell within paragraph (a) the definition of 'Deliverable Obligation' immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

13.16.3 Method for determining Obligations and Deliverable Obligations

Method for determining Obligations

For purposes of this Credit Linked Condition 13.16.3, the term "**Obligation**" means each obligation of each Reference Entity described by the Obligation Category specified in the Issue Terms and having each of the Obligation Characteristics, if any, specified in the Issue Terms, in each case immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

"**Bond or Loan**" means any obligation that is either a Bond or a Loan.

"**Bond**" means any obligation of a type included in the 'Borrowed Money' Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money.

"**Borrowed Money**" means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

"**Listed**" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

"**Loan**" means any obligation of a type included in the 'Borrowed Money' Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

"**Not Domestic Currency**" means any obligation that is payable in any currency other than the Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency.

"**Not Domestic Issuance**" means any obligation other than an obligation that was issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

"**Not Domestic Law**" means any obligation that is not governed by the applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute a Domestic Law.

"**Not Sovereign Lender**" means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as 'Paris Club debt'.

"**Not Subordinated**" means an obligation that is not Subordinated to (a) the Reference Obligation or (b) the Prior Reference Obligation, if applicable.

"**Obligation Category**" means Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the Issue Terms.

"**Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance.

"**Payment**" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

"**Prior Reference Obligation**" means, in circumstances where there is no Reference Obligation applicable to the relevant Poduct, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the Issue Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Initial Fixing Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

"**Reference Obligations Only**" means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only.

"**Specified Currency**" means an obligation that is payable in the currency or currencies specified as such in the Issue Terms (or, if 'Specified Currency' is specified in the Issue Terms and no currency is so specified, any Standard Specified Currency), provided that if the euro is a Specified Currency,

'Specified Currency' shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority.

Subordination

a. "**Subordination**" means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation, or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "**Subordinated**" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and 'Standard Reference Obligation' is specified as applicable in the related Issue Terms, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

b. If 'Standard European Senior Non-Preferred Financial Corporate' is specified as applicable in the Issue Terms, paragraph (a) above shall be applied in the assessment of any Obligation without regard to how the Obligation is described by the laws of any relevant jurisdiction, including any characterisation of the Obligation as senior or unsubordinated by the laws of any relevant jurisdiction.

"**Tier 2 Subordinated Obligation**" means any obligation of the Reference Entity which meets the conditions set out in Article 63 of the Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013, as such Article may be amended or replaced from time to time (the "**CRR**") or which are (or were at any time) otherwise eligible as a Tier 2 item in accordance with the CRR.

"**Traditional Subordinated Obligation**" means: (i) Tier 2 Subordinated Obligations of the Reference Entity; (ii) any obligations of the Reference Entity which rank or are expressed to rank *pari passu* with any Tier 2 Subordinated Obligations of the Reference Entity; and (iii) any obligations of the Reference Entity which are Subordinated to the obligations thereto described in (i) and (ii) above shall each (without limitation) constitute Traditional Subordinated Obligations in respect of a Senior Non-Preferred Obligation. A Traditional Subordinated Obligation shall constitute a Further Subordinated Obligation for the purposes of the definition of "Further Subordinated Obligation" in Credit Linked Condition VIII.13.9.3 (Substitute Reference Obligation).

Method for determining Deliverable Obligations

For purposes of this Credit Linked Condition 13.16.3, the term "**Deliverable Obligation**" may be defined as each obligation of the Reference Entity described by the Deliverable Obligation Category specified in the Issue Terms and, subject to 'Method for determining Obligations' above, having each of the Deliverable Obligation Characteristics, if any, specified in the Issue Terms, in each case as of both the NOPS Effective Date and the Delivery Date (unless otherwise specified in the related Issue Terms). The following terms shall have the following meanings:

"**Accelerated or Matured**" means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

"**Assignable Loan**" means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent.

"**Consent Required Loan** means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such Loan) or any agent.

"**Deliverable Obligation Category**" means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, and Bond or Loan, except that no Deliverable Obligation Characteristics shall be applicable where 'Reference Obligation Only' applies.

"**Deliverable Obligation Characteristics**" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

If an obligation would have been capable of being specified as a 'Deliverable Obligation' immediately prior to a Credit Event in respect of a Reference Entity, such obligation (as in effect after such Credit Event) shall continue to be able to constitute a Deliverable Obligation after the occurrence of such Credit Event. If it is not possible or reasonably practicable to specify any Obligation as a Deliverable Obligation of the Reference Entity because there is or will be no Deliverable Obligation in existence at any time, the Issuer may, if applicable, designate by notice (which may be by telephone) to the relevant Agent one or more bonds, loans, instruments, certificates or other obligations (an "**Exchanged Obligation**") which have been or will be issued in exchange, whether pursuant to a mandatory or voluntary exchange (an "**Obligation Exchange**"), for one or more bonds, loans, instruments, certificates or obligations of the Reference Entity that would have been capable of being specified as a Deliverable Obligation immediately prior to the occurrence of the Relevant Credit Event of the Reference Entity, provided that failure to deliver such notice shall not affect the effectiveness of such designation.

"**Direct Loan Participation**" means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Investor that provides each Investor with recourse to the participation seller for a specified share in

any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Investor and either (a) the Issuer (to the extent the Issuer is then a lender or a member of the relevant lending syndicate), or (b) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate).

"**Domestic Currency**" means the currency specified as such in the Issue Terms and any successor currency thereto (or if no such currency is specified, the lawful currency and any successor currency of:

(i) the Reference Entity, if the Reference Entity is a Sovereign; or

(ii) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign.

"**Domestic Law**" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if such Reference Entity is not a Sovereign.

"**Downstream Affiliate**" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent owned, directly or indirectly, by the Reference Entity.

"**Fixed Cap**" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"**Guarantee**" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"**Maximum Maturity**" means an obligation that has a remaining maturity of not greater than the period specified in the Issue Terms (or, if no such period is specified, 30 years).

"**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system.

"**Permitted Transfer**" means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee.

"**Qualifying Affiliate Guarantee**" means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

"**Qualifying Guarantee**" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in

either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

a. which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or

   pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:

   (i) by payment;

   (ii) by way of Permitted Transfer;

   (iii) by operation of law;

   (iv) due to the existence of a Fixed Cap; or

   (v) due to:

      (A) provisions permitting or anticipating a Governmental Intervention, if 'Financial Reference Entity Terms' is specified as applicable in the Issue Terms; or

      (B) any Solvency Capital Provisions, if 'Subordinated European Insurance Terms' is specified as applicable in the Issue Terms.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of 'Bankruptcy' in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

(i) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and

(ii) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

"**Qualifying Participation Seller**" means any participation seller that meets the requirements specified in the Issue Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"**Relevant Guarantee**" means a Qualifying Affiliate Guarantee or, if 'All Guarantees' is specified as applicable in the related Issue Terms, a Qualifying Guarantee.

"**Solvency Capital Provisions**" means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

"**Standard Specified Currencies**" means the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole) (and each a "**Standard Specified Currency**").

"**Transferable**" means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

(i) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);

(ii) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or

(iii) restrictions in respect of blocked periods on or around payment dates or voting periods.

"**Underlying Obligation**" means, with respect to a guarantee, the obligation which is the subject of the guarantee.

"**Underlying Obligor**" means, with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

"**Voting Shares**" means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

Interpretation of provisions

If either of the Obligation Characteristics 'Listed' or 'Not Domestic Issuance' is specified in the Issue Terms, the Issue Terms shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

If: (a) either of the Deliverable Obligation Characteristics 'Listed', 'Not Domestic Issuance' or 'Not Bearer' is specified in the Issue Terms, such Issue Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds; (b) the Deliverable Obligation Characteristic 'Transferable' is specified in the Issue Terms, such Issue Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans; or (c) any of the Deliverable Obligation Characteristics 'Assignable Loan', 'Consent Required Loan' or 'Direct Loan Participation' is specified in the Issue Terms, such Issue Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans.

If more than one of 'Assignable Loan', 'Consent Required Loan' and 'Direct Loan Participation' are specified as Deliverable Obligation Characteristics in the Issue Terms, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

Provisions relating to Relevant Guarantees

If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:

For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the Issue Terms from the following list: 'Not Subordinated', 'Specified Currency', 'Not Sovereign Lender', 'Not Domestic Currency' and 'Not Domestic Law'.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the Issue Terms from the following list: 'Listed', 'Not Domestic Issuance', 'Assignable Loan', 'Consent Required Loan', 'Direct Loan Participation', 'Transferable', 'Maximum Maturity', 'Accelerated' or 'Matured' and 'Not Bearer'.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

Further provisions relating to Obligation Characteristics and Deliverable Obligation Characteristics

For purposes of the application of the Deliverable Obligation Characteristic 'Maximum Maturity', remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.

If 'Financial Reference Entity Terms' and 'Governmental Intervention' are specified as applicable in the Issue Terms, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.

For the purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Linked Condition 13.10.1 (Mod R) and Credit Linked Condition 13.10.2 (Mod Mod R) to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.

If 'Subordinated European Insurance Terms' is specified as applicable in the Issue Terms, if an obligation would otherwise satisfy the 'Maximum Maturity' Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

13.16.4 Credit Events

"**2019 Narrowly Tailored Credit Event Supplement**" means a supplement published by ISDA to the 2014 ISDA Credit Derivatives Definitions which replaces the definitions of "Outstanding Principal Balance" and "Failure to Pay" under the Credit Derivatives Definitions and sets out guidance on the interpretation of the definition of "Failure to Pay" where "Credit Deterioration Requirement" is applicable.

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

"**Credit Event**" means the occurrence of one or more of the Credit Events specified in the Issue Terms, which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring, or Governmental Intervention, or any additional Credit Event specified in the Issue Terms. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

(i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;

(ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, howsoever described;

(iii) any applicable law, order, regulation, decree or notice, howsoever described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, howsoever described; or

(iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, howsoever described.

Any event occurring at midnight shall be deemed to occur immediately prior to midnight Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity relates to Japan, Tokyo Time).

"**Default Requirement**" means the amount specified as such in the Issue Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified or if "As per the Credit Linked Annex" is specified in the Issue Terms, USD 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the Relevant Credit Event.

"**Failure to Pay**" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the relevant Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure. If a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

If "Credit Deterioration Requirement" is specified as applicable in the relevant Issue Terms or is applicable pursuant to the terms of the applicable Transaction Type specified in respect of a Reference Entity in the Issue Terms, then notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly result either from, or result in, a deterioration in the creditworthiness or financial condition of the relevant Reference Entity. In such case, any determination as to whether a "Failure to Pay" has occurred is to be made by the Issuer, for which purposes, the Issuer may take into account any guidance provided in the 2019 Narrowly Tailored Credit Event Supplement.

"**Governmental Authority**" means:

(i) any *de facto or de jure* government (or any agency, instrumentality, ministry or department thereof);

(ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;

(iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or

(iv) any other authority which is analogous to any of the entities specified in paragraphs (i) to (iii) above.

"**Governmental Intervention**" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

a. any event which would affect creditors' rights so as to cause:

   (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

   (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

   (iii) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or

   (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;

b. an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;

c. a mandatory cancellation, conversion or exchange; or

d. any event which has an analogous effect to any of the events specified in sub-paragraphs (a) to (c) above.

For purposes of the above, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"**Obligation Acceleration**" means that one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (howsoever described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

"**Obligation Currency**" means the currency or currencies in which an Obligation is denominated.

"**Obligation Default**" means that one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (howsoever described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of

interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

"**Payment Requirement**" means the amount specified as such in the Issue Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified or if "As per the Credit Linked Annex" is specified in the Issue Terms, USD 1,000,000 or its equivalent in the relevant Obligation Currency), in either case as at the occurrence of the Relevant Credit Event.

"**Repudiation/Moratorium**" means the occurrence of both of the following events: (a) an authorised officer of the Reference Entity or a Governmental Authority (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date. For the purposes of this definition:

a. "**Repudiation/Moratorium Evaluation Date**" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Redemption Date, (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (I) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (II) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Redemption Date unless the Repudiation/Moratorium Extension Condition is satisfied.
b. "**Potential Repudiation/Moratorium**" means the occurrence of an event described in paragraph (a) of the definition of 'Repudiation/Moratorium'.
c. The "**Repudiation/Moratorium Extension Condition**" is satisfied (i) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is 14 calendar days after the Redemption Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Redemption Date, or (ii) otherwise, by the delivery by the Issuer of a Repudiation/Moratorium Extension Notice and, unless 'Notice of Publicly Available Information' is specified as not applicable in the related Issue Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is 14 calendar days after the Redemption Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity, or (B) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Product has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Redemption Date.

"**Repudiation/Moratorium Extension Notice**" means an irrevocable notice from the Issuer to the relevant Agent that describes a Potential Repudiation/Moratorium that occurred on or prior to the Redemption Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"**Restructuring**" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:

a. a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
b. a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
c. a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
d. a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
e. any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

Notwithstanding the above, none of the following shall constitute a Restructuring:

a. the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
b. the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
c. the occurrence of, agreement to or announcement of any of the events described in paragraphs (a) to (d) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or
d. the occurrence of, agreement to or announcement of any of the events described in paragraphs (a) to (d) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of sub-paragraph (e) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For purposes of this definition and the definition of 'Multiple Holder Obligation', the term 'Obligation' shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in this definition shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in this definition shall continue to refer to the Reference Entity.

If an exchange has occurred, the determination as to whether one of the events described under paragraphs (a) to (e) above has occurred will be based on a comparison of the terms of the Bond

immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

Unless 'Multiple Holder Obligation' is expressed to be not applicable in the Issue Terms, then none of the events described above shall constitute a Restructuring unless the Obligation is a Multiple Holder Obligation, where "**Multiple Holder Obligation**" means an Obligation that (a) at the time of the event which constitutes a Restructuring Credit Event, is held by more than three holders that are not Affiliates of each other and (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to 66 and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event (provided that part (b) shall be deemed to be satisfied where the Obligation is a Bond).

13.16.5 General terms relating to Redemption and Settlement

"**CLP Settlement Method**" means:

(i) the terms relating to the settlement of Auction Settled CLPs, as provided in the General Terms and Conditions, these Credit Linked Conditions in respect of such Products and the Issue Terms;

(ii) the terms relating to the settlement of Cash Settled CLPs, as provided in the General Terms and Conditions, these Credit Linked Conditions in respect of such Products and the Issue Terms; and

(iii) the terms relating to the settlement of Physically Delivered CLPs, as provided in the Credit Linked Conditions in respect of such Products and the Issue Terms.

"**Deferred Redemption Date**" means, if an Extension Notice is effective and no Event Determination Date occurs on or prior to the Products Extension Date, the date falling five Business Days after the Products Extension Date or, if an Extension Notice is effective and an Event Determination Date occurs on or prior to the Products Extension Date, in respect of Cash Settled CLPs, the Credit Event Redemption Date, or, in respect of Physically Delivered CLPs, the Final Delivery Date.

"**Early Redemption Date**" means any Early Redemption Date as determined pursuant to the General Terms and Conditions, these Credit Linked Conditions or the Issue Terms, including any Issuer Call Option Redemption Date, as applicable.

"**Extended Interest Period**" means the period, if any, from and including the Scheduled Redemption Date to but excluding the Deferred Redemption Date.

"**Extension Notice**" means an irrevocable notice (which may be by telephone) from the Issuer to the relevant Agent which is effective on or prior to the Scheduled Redemption Date that specifies one or more Reference Entities which the Issuer determines, in its discretion, are or may be subject to a Credit Event, a Potential Failure to Pay or a Potential Repudiation/Moratorium.

"**Fallback CLP Settlement Method**" means, with respect to a Product for which 'Auction Settlement' is specified as the CLP Settlement Method in the Issue Terms, if 'Physical Settlement' is specified as the Fallback CLP Settlement Method in the Issue Terms, Physical Settlement; otherwise, Cash Settlement.

"**Issuer CLP Settlement Option**" means, if specified in the Issue Terms, the option, exercisable by the Issuer in its discretion, for the Issuer to redeem the Products by way of Cash Settlement, Auction Settlement or Physical Settlement upon the occurrence of a Relevant Event Determination Date.

"**Issuer's Termination Announcement**" means, to the extent that the Issue Terms specify Issuer's Termination Right to be applicable, an announcement by the Issuer that the Issuer exercises such Issuer's Termination Right, provided that such announcement must specify the Early Redemption Date that shall apply to such early termination.

"**Issuer's Termination Right**" means, to the extent applicable pursuant to the Issue Terms, that the Issuer has the right to call the Products for early redemption at any time without previous notice by way of delivery of an Issuer's Termination Announcement.

"**Products Extension Date**" means the latest to occur of (a) the last applicable day specified in the definition of 'Notice Delivery Period' in respect of each Reference Entity specified in an Extension Notice and (b) either (i) 14 calendar days after the date on which a 'DC Credit Event Announcement' occurs or (ii) the date on which a 'DC No Credit Event Announcement' occurs or (iii) if applicable, the expiry of the Post Dismissal Additional Period.

"**Reference Price**" means the percentage specified as such in relation to a Reference Entity in the Issue Terms or, if a percentage is not so specified, 100 per cent.

"**Relevant Event Determination Date**" means the Event Determination Date occurring with respect to a Relevant Credit Event.

"**Settlement Currency**" means the currency specified as such in the Issue Terms, or if no currency is so specified in the Issue Terms, the Specified Currency.

"**Settlement Date**" means the Auction Settlement Date, the Cash Settlement Date or the Physical Settlement Date, as applicable.

13.16.6 Terms relating to Cash Settlement

"**CLP Cash Settlement Amount**" means, with respect to any Product and a Reference Entity, such Product's *pro rata* share (on a per Calculation Amount basis) of the product of (a) the related Reference Entity Notional Amount determined as at the relevant Event Determination Date and (b) the Final Price (if Cash Settlement applies) or Auction Final Price (if Auction Settlement applies).

"**CLP Valuation Date**" means:

a. if 'Single CLP Valuation Date' is specified in the Issue Terms, a date selected by the Issuer not less than five Business Days following the Event Determination Date (or, if 'Cash Settlement' is applicable pursuant to the fallback provisions in Auction Settlement, any Auction Cancellation Date or any No Auction Announcement Date, if later);
b. if 'Multiple CLP Valuation Dates' is specified in the Issue Terms:

    (i) subject to Credit Linked Conditions 13.16.9 (Settlement Suspension and Effect of DC Resolutions), the date that is the number of Business Days specified in the related Issue Terms (or, if the number of Business Days is not so specified, five Business Days) following the Event Determination Date (or, if 'Cash Settlement' is applicable pursuant to the Fallback Settlement Method in accordance with the terms relating to Auction Settlement, the date that is the number of Business Days specified in the related Issue Terms (or, if the number

of Business Days is not so specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and

(ii) each successive date that is the number of Business Days specified in the related Issue Terms (or, if the number of Business Days is not so specified, five Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding CLP Valuation Date.

c. if neither 'Single CLP Valuation Date' nor 'Multiple CLP Valuation Dates' is specified in the Issue Terms, Single CLP Valuation Date shall apply.

"**CLP Valuation Time**" means the time specified as such in the Issue Terms or, if no such time is specified, the time specified by the Calculation Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the relevant Calculation Agent City, unless the Calculation Agent determines that the principal market for transactions in the Reference Obligation would be closed at such time or such transactions are not being conducted in sufficient volume at such time, in which event the CLP Valuation Time shall be such other time as may be specified by the Calculation Agent that such principal market is open.

"**Credit Event Redemption Date**" means (a) if the Credit Event Redemption Amount is not specified in the Issue Terms, the date that is the number of Business Days specified in the Issue Terms (or, if a number of Business Days is not so specified, five Business Days) following the calculation of the Final Price and (b) if the Credit Event Redemption Amount is specified in the related applicable Issue Terms, the date that is the number of Business Days specified in the related applicable Issue Terms (or, if a number of Business Days is not so specified, five Business Days) following the Event Determination Date, provided, however, that if Auction Settlement is applicable, then the Credit Event Redemption Date shall be the date falling five Business Days following the Auction Settlement Date determined pursuant to the Credit Derivatives Auction Settlement Terms for such Auction.

"**Dealer**" means, as selected by the Calculation Agent, at least five financial institutions, funds or other entities that purchase or deal in obligations of the type of the relevant Reference Obligation, Obligation or Undeliverable Obligation, one of which institutions, funds or other entities may be the Issuer or an Affiliate thereof.

"**Final Price**" means the price of the Reference Obligation, expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, determined in accordance with the specified Valuation Method and subject to a maximum of 100 per cent. Unless 'Auction Settlement' applies, the Calculation Agent shall, as soon as reasonably practicable after obtaining all Quotations for a CLP Valuation Date, notify the Paying Agent in writing of each such Quotation (together with a written computation showing such calculation) that it receives in connection with the calculation of the Final Price. The Paying Agent shall deliver such notice through the relevant settlement system to Investors, provided that the failure of the respective Agent to deliver any such notice shall not affect the effectiveness of any notice delivered by the Calculation Agent. If 'Auction Settlement' is specified to be applicable or is elected to be applicable pursuant to the Issuer CLP Settlement Option, then, notwithstanding the Valuation Method, Final Price means the Auction Final Price. If Cash Settlement is applicable as the Fallback CLP Settlement Method and the Issuer has not delivered a notice specifying the Reference Obligation on or prior to:

(i) if '60 Business Day Cap on Settlement' is specified as 'Not Applicable' in the Issue Terms, the later of the Scheduled Redemption Date and 60 Business Days following a No Auction Announcement Date or an Auction Cancellation Date or any equivalent cancellation date under a Relevant Settlement Mechanic, as applicable; or

(ii) if '60 Business Day Cap on Settlement' is not specified as 'Not Applicable' in the Issue Terms, the date that is 60 Business Days following a No Auction Announcement Date or an Auction Cancellation Date or any equivalent cancellation date under a Relevant Settlement Mechanic, as applicable,

then the Final Price shall be deemed to be 100 per cent.

"**Full Quotation**" means, in accordance with the Quotation Method, each firm quotation obtained from a Dealer at the CLP Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Amount or Due and Payable Amount, as applicable, equal to the Quotation Amount.

"**Market Value**" means, with respect to a Reference Obligation on a CLP Valuation Date: (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject to paragraph (b) of the definition of 'Quotation', an amount that the Calculation Agent shall determine on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained within the additional five Business Day period set out in paragraph (b) of the definition of 'Quotation' the Market Value shall be determined as provided in such definition.

"**Minimum Quotation Amount**" means the amount specified as such in the Issue Terms (or its equivalent in the relevant Obligation Currency) or, if no such amount is specified, the lower of (a) USD1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

"**Quotation**" means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Reference Obligation's Outstanding Principal Amount or Due and Payable Amount, as applicable, with respect to a CLP Valuation Date in the manner that follows:

(i) The Calculation Agent shall attempt to obtain Full Quotations with respect to the CLP Valuation Date from five or more Dealers. If the Calculation Agent is able to obtain two or more such Full Quotations from Dealers other than the Issuer in respect of such CLP Valuation Date, then the Calculation Agent shall use such Full Quotations to determine the Final Price in accordance with the specified Valuation Method. If the Calculation Agent is unable to obtain two or more such Full Quotations in respect of such CLP Valuation Date but is able to obtain a Weighted Average Quotation in respect of such CLP Valuation Date, then

the Calculation Agent shall use such Weighted Average Quotation to determine the Final Price in accordance with the specified Valuation Method.

(ii) If the Calculation Agent is unable to obtain two or more such Full Quotations or such a Weighted Average Quotation in respect of such CLP Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until and including the fifth Business Day) the Calculation Agent shall attempt to obtain two or more such Full Quotations from Dealers other than the Issuer and, if two or more such Full Quotations are not available from Dealers other than the Issuer on such Business Day, a Weighted Average Quotation on such Business Day. If the Calculation Agent is able to obtain two or more such Full Quotations in respect of any such Business Day from Dealers other than the Issuer, then the Calculation Agent shall use such Full Quotations to determine the Final Price in accordance with the specified Valuation Method. If the Calculation Agent is unable to obtain two or more such Full Quotations in respect of any such Business Day but is able to obtain a Weighted Average Quotation in respect of any such Business Day, then the Calculation Agent shall use such Weighted Average Quotation to determine the Final Price in accordance with the specified Valuation Method.

(iii) If the Calculation Agent is unable to obtain two or more such Full Quotations or such a Weighted Average Quotation from Dealers other than the Issuer on or prior to the fifth Business Day following the relevant CLP Valuation Date, then the Calculation Agent shall use the Full Quotation, if any, obtained from the Issuer on such fifth Business Day to determine the Final Price in accordance with the specified Valuation Method.

(iv) If the Calculation Agent is unable to obtain a Full Quotation from the Issuer on such fifth Business Day following the relevant CLP Valuation Date, then the Quotation shall be deemed to be zero.

(v) Any quotation provided by the Issuer or an Affiliate thereof shall be deemed to be a firm quotation.

"**Quotation Amount**" means the amount specified as such in the Issue Terms or, if no amount is so specified, an amount specified by the Calculation Agent not in excess of the aggregate of the Calculation Amounts of the Credit Linked Products outstanding (or, its equivalent in the relevant Obligation Currency, which shall be converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

"**Quotation Method**" means the applicable Quotation Method specified in the Issue Terms by reference to one of the following terms (or, if no Quotation Method is specified, Bid shall apply):

a. "**Bid**" means that only bid quotations shall be requested from Dealers;
b. "**Offer**" means that only offer quotations shall be requested from Dealers; or
c. "**Mid-market**" means that bid and offer quotations shall be requested from Dealers and shall be averaged for purposes of determining a relevant Dealer's quotation.

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market and at the relevant time, which amount the Calculation Agent shall determine.

"**Weighted Average Quotation**" means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Dealers at the CLP Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an Outstanding Principal Amount or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but of a size equal to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

"**Valuation Method**":

a. The following Valuation Methods may be specified in the Issue Terms for a Product with only one CLP Valuation Date:

   (i) "**Market**" means the Market Value determined by the Calculation Agent with respect to the CLP Valuation Date; or

   (ii) "**Highest**" means the highest Quotation obtained by the Calculation Agent (or in accordance with the definition of 'Quotation') with respect to the CLP Valuation Date; or

   (iii) "**Lowest**" means the lowest Quotation obtained by the Calculation Agent (or in accordance with the definition of 'Quotation') with respect to the CLP Valuation Date.

If no such Valuation Method is specified in the Issue Terms, the Valuation Method shall be Highest.

b. The following Valuation Methods may be specified in the Issue Terms for a Product with more than one CLP Valuation Date:

   (i) "**Average Market**" means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each CLP Valuation Date; or

   (ii) "**Highest**" means the highest Quotation obtained by the Calculation Agent (or in accordance with the definition of 'Quotation') with respect to any CLP Valuation Date; or

   (iii) "**Average Highest**" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent (or in accordance with the definition of 'Quotation') with respect to each CLP Valuation Date.

If no such Valuation Method is specified in the Issue Terms, the Valuation Method shall be Average Highest.

c. Notwithstanding paragraphs (a) and (b) above, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market or Average Blended Market, as the case may be.

13.16.7 Terms relating to Auction Settlement

If "**Auction Settlement**" is the applicable Settlement Method with respect to a Product as specified in the Issue Terms or elected pursuant to the Issuer CLP Settlement Option and a Relevant Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Auction Final Price shall be the Final Price with respect to the related Credit Event. Without prejudice to the foregoing, but without duplication of settlement, if (a) an Auction Cancellation Date occurs, (b) a No Auction Announcement Date occurs, (c) a DC Credit Event Question Dismissal occurs or (d) an Event Determination Date was determined pursuant to the definition of 'Event Determination Date' and

no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date, 'Auction Settlement' shall not apply and the Fallback CLP Settlement Method shall apply.

In the event that no Auction occurs, Auction Settlement shall encompass any settlement protocol or process (howsoever described) relating to the settlement of credit derivative transactions linked to the Reference Entity: (i) published by the International Swaps and Derivatives Association (or any successor thereto); (ii) resolved by the Credit Derivatives Determinations Committee; or (iii) adopted by a significant portion of the relevant credit derivatives market (each of (i), (ii) and (iii), a "**Relevant Settlement Mechanic**"), provided that the Calculation Agent shall be entitled to adjust the conditions applicable to the Products such that the Relevant Settlement Mechanic would produce a reasonable result thereunder. If Auction Settlement is specified with respect to a Product in the Issue Terms or is elected pursuant to the Issuer CLP Settlement Option and a Relevant Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Auction Final Price shall still be the Final Price with respect to the related Credit Event, notwithstanding that the Deliverable Obligation Category and/or Deliverable Obligation Characteristics are different to those set out in the Issue Terms, provided that if the Calculation Agent determines in its discretion that the terms of the Deliverable Obligations in respect of the relevant Auction are not identical to the terms of the Deliverable Obligations in respect of the relevant Product, then the Calculation Agent may determine in its discretion that Cash Settlement will apply in respect of such Product.

"**Auction**" has the meaning set out in the Transaction Auction Settlement Terms.

"**Auction Settlement Date**" means the date that is the number of Business Days specified in the Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, three Business Days) immediately following the Auction Final Price Determination Date. The Auction Settlement Date shall be the Redemption Date.

"**Auction Cancellation Date**" has the meaning set out in the Transaction Auction Settlement Terms.

"**Auction Covered Transaction**" has the meaning set out in the Transaction Auction Settlement Terms.

"**Auction Final Price Determination Date**" has the meaning set out in the Transaction Auction Settlement Terms.

"**Auction Final Price**" has the meaning set out in the Transaction Auction Settlement Terms in respect of the relevant Reference Entity, provided that:

(i) where both a Senior Auction and a Subordinate Auction are held in connection with an Auction in respect of such Reference Entity, the Issuer may, in its discretion, elect to apply the price determined pursuant to the Senior Auction where the Reference Obligation in respect of such Reference Entity is specified as 'Sub' or 'Subordinated' Reference Obligation; and

(ii) if the Credit Event is a Restructuring, the Calculation Agent shall select which of the Transaction Auction Settlement Terms shall apply in a commercially reasonable manner in accordance with then current market practices by reference to the Scheduled Redemption Date of the relevant Products, and

(iii) notwithstanding the foregoing, the Auction Final Price shall always be subject to a maximum of 100 per cent.

"**Credit Derivatives Auction Settlement Terms**" means any Credit Derivatives Auction Settlement Terms published by the DC Secretary, a form of which will be published by the DC Secretary on its website at www.cdsdeterminationcommittees.org (or any successor website thereto) from time to time and may be amended from time to time.

"**Deliverable Obligation Provisions**", has the meaning set out in the Credit Derivatives Auction Settlement Terms.

"**Deliverable Obligation Terms**" has the meaning set out in the Credit Derivatives Auction Settlement Terms.

"**No Auction Announcement Date**" means, with respect to a Credit Event, the date on which the DC Secretary first publicly announces that (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (b) following the occurrence of an M(M)R Restructuring, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published, or (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary, in circumstances where either (i) no Parallel Auction will be held, or (ii) one or more Parallel Auctions will be held.

"**Parallel Auction Cancellation Date**" means 'Auction Cancellation Date' as defined in any relevant Parallel Auction Settlement Terms.

"**Parallel Auction Settlement Terms**" means, following the occurrence of an M(M)R Restructuring with respect to a Reference Entity and a Product, any Credit Derivatives Auction Settlement Terms published by the DC Secretary with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions specified in the related Issue Terms.

"**Parallel Auction**" means 'Auction' as defined in any relevant Parallel Auction Settlement Terms.

"**Parallel Notice of Physical Settlement Date**" means the 'Notice of Physical Settlement Date' as defined in the relevant Parallel Auction Settlement Terms.

"**Senior Auction**" means an Auction in respect of one or more Obligations of the relevant Reference Entity specified as 'Senior' pursuant to such Auction.

"**Subordinated Auction**" means an Auction in respect of one or more Obligations of the relevant Reference Entity specified as 'Subordinated' or 'Sub' pursuant to such Auction.

"**Transaction Auction Settlement Terms**" means the Credit Derivatives Auction Settlement Terms applicable to the relevant Reference Entity and Reference Obligation.

13.16.8 Terms relating to Physical Settlement and Delivery

"**Asset Market Value**" means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

"**Deliver**" means to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to Investors free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all Products in a relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set out in paragraphs (a) to (d) of the definition of 'Credit Event' or right of set-off by or of the Reference Entity or any applicable Underlying Obligor); provided that (i) if a Deliverable Obligation is a Direct Loan Participation, "**Deliver**" means to create (or procure the creation of) a participation in favour of each Investor, and (ii) if a Deliverable Obligation is a Guarantee, "**Deliver**" means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, (A) "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap and (B) those claims shall be deemed to be Deliverable Obligations for purposes of any physical settlement. "**Delivery**" and "**Delivered**" will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time, provided further that, the Issuer and each Investor agrees to comply with the provisions of any documentation (which shall include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the Issuer hereunder. The Issuer and each Investor further agrees that compliance by it with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Investor shall be permitted to request that the other take, nor shall it be required to take, any action under Credit Linked Condition 13.4.3 (Delivery of Deliverable Obligations Portfolio) unless otherwise contemplated by such documentation.

If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) each Asset in the Asset Package shall be Delivered provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer has notified Investors and the Calculation Agent of the detailed description of the Asset Package that it intends to Deliver in the Notice of Physical Settlement, (iv) the Issuer may satisfy its obligation to make Delivery of the Prior

Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

"**Deliverable Obligations Portfolio**" means, in respect of each Physically Delivered CLP, subject to Credit Linked Condition 13.9.1 (Provisions for determining a Successor) and unless otherwise elected by the Issuer in accordance with the Issuer CLP Settlement Option as set out in these Credit Linked Conditions, such Deliverable Obligations, or if Asset Package is applicable, such Asset Package, as may be selected by the Issuer with: (a) an Outstanding Principal Balance, in respect of Deliverable Obligations that are Borrowed Money obligations; or (b) a Due and Payable Amount, in respect of Deliverable Obligations that are not Borrowed Money obligations (or, in either case, the equivalent Currency Amount thereof), in an aggregate amount (excluding any accrued and unpaid interest) equal to (i) its *pro rata* share (on a per Calculation Amount basis) of the Reference Entity Notional Amount in respect of the Credit Linked Products, as determined by the Calculation Agent in its discretion, acting in a commercially reasonable manner as at the relevant Event Determination Date less (ii) (if, at the option of the Issuer, Settlement Expenses and Swap Costs are to be deducted rather than separately paid by each such Investor) an outstanding principal balance or Due and Payable Amount, as the case may be, of such Deliverable Obligations with a market value as determined by the Calculation Agent equal to the Settlement Expenses and Swap Costs. If the amount of the Deliverable Obligations Portfolio is less than zero, no Deliverable Obligations will be required to be Delivered and the amount of the Deliverable Obligations Portfolio will be deemed to be zero. If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the Outstanding Principal Balance of such obligation as at the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the Outstanding Principal Balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

"**Delivery Date**" means, with respect to a Deliverable Obligation or an Asset Package, the date such Deliverable Obligation or Asset Package is Delivered (or deemed Delivered, as applicable) and, in circumstances where Credit Linked Condition 13.5.4 (Partial Cash Settlement Terms) applies in respect of the Products, with respect to an amount of cash comprised in the Deliverable Obligations Portfolio, the date on which such cash is paid.

"**Delivery Method**" has the meaning specified in the Issue Terms, or, if no such meaning is specified, shall mean, unless otherwise agreed between an Investor and the Issuer, that delivery to such Investor shall be to a Products account designated by such Investor.

"**Due and Payable Amount**" means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the CLP Valuation Date, as applicable.

"**Final Delivery Date**" means, in respect of a Physical Settlement Date, the final Delivery Date to occur with respect to Deliverable Obligations (or, where Credit Linked Condition VIII.13.5.4 (Partial Cash Settlement Terms) applies in respect of the Products, the amount of cash) comprised in the Deliverable Obligations Portfolio pertaining to such Physical Settlement Date.

"**Latest Permissible Physical Settlement Date**" means, in respect of Credit Linked Condition 13.4.3 (Delivery of Deliverable Obligations Portfolio), the date that is 30 calendar days after the Physical Settlement Date and, in respect of Credit Linked Conditions 13.5 (Partial Cash Settlement of Consent Required Loans), 13.5.1 (Partial Cash Settlement of Assignable Loans) and 13.5.2 (Partial Cash Settlement of Participations), the date that is 15 Business Days after the Physical Settlement Date (or, where 'Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation' applies, the Modified Restructuring Maturity Limitation Date).

"**Notice of Physical Settlement**" or "**NOPS**" means a notice from the Issuer that (a) confirms that the Issuer will redeem the Products (unless the Issue Terms provides for multiple Deliveries) and require performance in accordance with Physical Settlement as the CLP Settlement Method, (b) contains a detailed description of each Deliverable Obligation that the Issuer will, subject to Credit Linked Condition 13.4 (Redemption of Physically Delivered Products), Deliver to Investors, including if available, the CUSIP or ISIN number (or, if such identifying number is not available, the rate and tenor) of each such Deliverable Obligation and (c) specifies the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case, the "Outstanding Amount") and, if different, the face amount, of each such Deliverable Obligation and the aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that the Issuer intends to Deliver to Investors (the "**Aggregate Outstanding Amount**").

The Issuer may, from time to time, notify the Investors in the manner specified above (each such notification, a "**NOPS Amendment Notice**") that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective). A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that the Issuer will, subject to Credit Linked Condition 13.4 (Redemption of Physically Delivered Products), Deliver to Investors (each, a "**Replacement Deliverable Obligation**") and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the "**Replaced Deliverable Obligation Outstanding Amount**"). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of the Replacement Deliverable Obligations specified in any NOPS Amendment Notice in aggregate with the Outstanding Amount of the Deliverable Obligations specified in the Notice of Physical Settlement or any earlier NOPS Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice).

Notwithstanding the foregoing, (i) the Issuer may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Investors prior to the relevant Delivery Date and (ii) if Asset Package Delivery is applicable, the Issuer shall on the NOPS Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), notify the Investors of the detailed description of the Asset Package, if any, that it intends to, subject to Credit Linked Condition 13.4 (Redemption of Physically Delivered Products), Deliver to the Investors in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

"**NOPS Cut-Off Date**" means:

a. the later of:

   (i) the thirtieth calendar day after the Event Determination Date; and

   (ii) the tenth calendar day after either the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal, if any (or, if the Relevant Credit Event is an M(M)R Restructuring, the tenth calendar day after the Exercise Cut-off Date).

b. Notwithstanding the foregoing, if "Physical Settlement" is applicable as the Fallback CLP Settlement Method and:

   (i) the Relevant Credit Event is not an M(M)R Restructuring, the later of (A) the date determined pursuant to subparagraph (a)(i) above and (B) the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date, as applicable; or

   (ii) the Relevant Credit Event is an M(M)R Restructuring, either:

      (A) the later of (I) the date determined pursuant to subparagraph (a)(i) above and (II) the thirtieth calendar day after (x) a No Auction Announcement Date occurring, if any; or (y) a No Auction Announcement Date occurring, if any; or (z) the Auction Cancellation Date, if any, as applicable; or

      (B) the later of the Parallel Notice of Physical Settlement Date (or, if more than one should occur, the last Parallel Notice of Physical Settlement Date), and Business Day immediately following the Parallel Auction Cancellation Date, if any (or, if more than one should occur, the last Parallel Auction Cancellation Date), as applicable, in circumstances where a No Auction Announcement Date occurs,

provided that in the case of subparagraphs (a)(ii) and (b) above, the Relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in subparagraph (a)(i).

"**NOPS Effective Date**" means the date on which an effective Notice of Physical Settlement or NOPS Amendment Notice, as the case may be, is delivered by the Issuer.

"**Physical Settlement Date**" means the last day of the longest Physical Settlement Period following the NOPS Cut-off Date, as the Calculation Agent may designate in its discretion provided that if the Final Price has not been determined by the Business Day immediately preceding the Physical Settlement Date, the Physical Settlement Date shall be the first Business Day after the Final Price is determined. If all Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS

Amendment Notice, as applicable, are Delivered on or before the day so designated, the date that Delivery of such Deliverable Obligations is completed shall be deemed to be the Physical Settlement Date.

"**Physical Settlement Period**" means the number of Business Days specified as such in the Issue Terms or, if a number of Business Days is not so specified, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as the Calculation Agent shall determine, provided, however, that, if the Issuer has notified the relevant Agent that it intends to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be thirty Business Days.

13.16.9 Timing

Time Zones

In order to determine the day on which an event occurs for purposes of these Credit Linked Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

Payment Timing

Notwithstanding the definition of Credit Event Notice and the paragraph above (Time Zones), if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

Settlement Suspension and Effect of DC Resolutions

If, following the determination of an Event Determination Date in accordance with the definition thereof but prior to the Physical Settlement Date or, to the extent applicable, a CLP Valuation Date, there is a DC Credit Event Meeting Announcement, all timing requirements in these Credit Linked Conditions that pertain to settlement shall toll and remain suspended until the date of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal. During such suspension period, the Issuer is not obliged to take any action in connection with the settlement of such Credit Event or the redemption, if any, of the Credit Linked Products. Once the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal, as applicable, has occurred, the relevant timing requirements that pertain to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by the DC Secretary, with the Issuer having the benefit of the full day, notwithstanding when the tolling or suspension began.

Any DC Resolution of the relevant Credit Derivatives Determinations Committee that is applicable to a Product, including a DC Resolution that reverses a previous DC Resolution, shall be binding on the Issuer and Investors of such Product:

a. provided that:

(i) if the effect of a DC Resolution would be to reverse (A) a prior DC Resolution of the relevant Credit Derivatives Determinations Committee, (B) any determination made by the Calculation Agent that is effectively notified to the Issuer prior to the fifth Business Day which immediately precedes the Successor Resolution Request Date or a Substitute Reference Obligation Resolution Request Date, as applicable, or (C) the occurrence of an Event Determination Date, that, in any case, has resulted in:

(A) the identification of one or more Successors;

(B) the identification of a Substitute Reference Obligation; or

(C) the occurrence of an Auction Final Price Determination Date, Physical Settlement Date or Redemption Date, as applicable, or to the extent of the occurrence of a CLP Valuation Date or Delivery Date, as applicable, in each case, on or prior to the date that the DC Secretary publicly announces such DC Resolution of the relevant Credit Derivatives Determinations Committee,

then such DC Resolution shall not be effective for purposes of any Product, or, in the case of a CLP Valuation Date or Delivery Date only, shall not be effective to the extent that a CLP Valuation Date or Delivery Date has occurred; and

(ii) if the terms of such Product seek to amend or override the agreement contained in this Credit Linked Condition by expressly referring in writing to this Credit Linked Condition and which would otherwise be effective in accordance with the terms of such Product, then any DC Resolution shall not be effective for purposes of such Product; and

b. notwithstanding:

(i) that the Credit Linked Conditions, as supplemented, or any provisions incorporated in the Issue Terms, may require such determination to be made by the Calculation Agent;

(ii) that in order to reach such DC Resolution, the relevant Credit Derivatives Determinations Committee may be required to Resolve one or more factual matters before being able to reach such DC Resolution; and

(iii) any actual or perceived conflict of interest on the part of a DC Party, legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the DC Rules.

13.16.10 Terms relating to Currencies

"**Currency Amount**" means, with respect to (a) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted into the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted into the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to the relevant portion of the applicable

Calculation Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

"**Currency Rate**" means, with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, as the Calculation Agent shall determine and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate; provided, however, that:

(i) if a Notice of Physical Settlement is delivered within five Business Days of an Auction Final Price Determination Date, the Issuer may elect to use the Auction Currency Rate (as defined in the Credit Derivatives Auction Settlement Terms) if such rate exists for the relevant currency pair; or

(ii) if 'Local Market Currency Rate' is specified in the Issue Terms, then the Issuer may elect, instead of using the Currency Rate Source, to determine the Currency Rate by reference to quotes from four leading dealers at the Next Currency Fixing Time. The highest and lowest quotes shall be discarded and the Calculation Agent shall take an average of the remaining two quotes. If it is not possible to obtain four quotes, then the Calculation Agent shall determine the rate acting in a commercially reasonable manner.

"**Currency Rate Source**" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

"**Next Currency Fixing Time**" means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

"**Revised Currency Rate**" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

13.16.11 Terms relating to Issuer Call Option

"**Issuer Call Option Exercise Date**" means one of the following as specified in the Issue Terms:

(a) each Business Day falling after the Issue Date; or

(b) if specified in the Issue Terms, each day specified as such in the Issue Terms.

"**Issuer Call Option Notice Period**" means the period specified as such in the Issue Terms.

"**Issuer Call Option Redemption Amount**" means (i) the amount specified in the Issue Terms or (ii) the Liquidation Amount, as specified in the Issue Terms.

"**Issuer Call Option Redemption Date**" means one of the following as specified in the Issue Terms:

(a) the number of Business Days following the Final Fixing Date or if the Final Fixing Date falls on different dates for different Underlyings, the number of Business Days following the latest of such dates to occur; or

(b) if specified in the Issue Terms, each day specified as such in the in the Issue Terms.

14. Tracker Certificates referencing to an actively managed underlying

The provisions of these Underlying Specific Conditions 14 (Tracker Certificates referencing to an actively managed underlying) shall apply to Products with an actively managed Index as an Underlying.

14.1 Active Management of Underlying

The Underlying of a Tracker Certificate referencing to an actively managed underlying (the "**Actively Managed Certificate**" or the "**AMC**") is a dynamic, actively managed index (the "**Index**") which is discretionarily managed by the Index Sponsor and calculated by the respective Index Calculation Agent.

14.2 Redemption

The Investor is entitled to receive from the Issuer, subject to an Extraordinary Termination, if Applicable, on the Redemption Date per Product a Cash Settlement in the Settlement Currency corresponding to the value of the Underlying (adjusted by applicable fees, any expenses and taxes, and, as the case may be, an FX Rate) on the Final Fixing Date as specified in the Issue Terms.

14.3 Publication

Any Index Rule Books and other relevant documentation regarding the investment strategy of an AMC as well as periodically (at least monthly) updated percentage-weighted composition of the Indices can be obtained free of charge from the Lead Manager Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland, via telephone +41 58 800 1111, fax +41 58 800 1010 or via e-mail termsheet@leonteq.com, or where the Lead Manager is specified as Banque Internationale à Luxembourg S.A., at 69 Route d'Esch, 1470 Luxembourg, via telephone +352 4590 3332, fax +352 4590 2820 or via e-mail sp-team@bil.com.

14.4 Fees

In relation to Actively Managed Certificates different fees, as specified in the Issue Terms will be deducted and will have an effect on the Redemption Amount.

14.5 Subsidiary application of the Index Linked Conditions

The Underlying Specific Conditions 3 (Index Linked Conditions) shall apply to AMCs in addition to these Underlying Specific Conditions 14 (Tracker Certificates referencing to an actively managed underlying). In the case of a conflict between the Underlying Specific Conditions 3 (Index Linked Conditions) and these Underlying Specific Conditions 14 (Tracker Certificates referencing to an actively managed underlying), these Underlying Specific Conditions 14 (Tracker Certificates referencing to an actively managed underlying) prevail.

14.6 Definitions

"**Actively Managed Certificate**" or "**AMC**" means a Tracker Certificate referencing to an actively managed underlying specified as such in the Issue Terms.

"**Index**" means an Index representing a hypothetical portfolio in order to reflect the investment strategy as described in the Issue Terms/or Index Rule Book. There is no obligation on the Index Calculation Agent to purchase and/or hold any components of the Index and there is no actual

portfolio of assets to which any person is entitled or in which any person has any ownership interest. The Index is merely comprised of components, the performance of which will be used as a reference point for the purposes of calculating the value of the Index. References to any rebalancing of the Index or addition, adjustment, substitution, replacement or removal of Components should not be construed as imposing an obligation on the Index Calculation Agent or any person actually to acquire or dispose of any securities, investments, assets or other property but are references to the change in, and relate solely to the calculation of the value of the Index.

"**Index Sponsor**" means the in relation to Actively Managed Certificates persons or entities defining the composition of the AMC's underlying index. The Index Sponsor is responsible to define Index composition in accordance with the investment strategy and investment universe of in accordance Issue Terms and the Index Rule Book. The Index Sponsor may make an amendment to the Index by adding, removing, or replacing components within the Index subject to the index rules, as described in the Index Rule Book

"**Index Rule Book"** means an integral part of the legal documentation of an AMC and sets out among others the investment strategy and investment universe agreed between Issuer, Index Calculation Agent and the Index Sponsor.

IX. OVERVIEW OF PROVISIONS RELATING TO GLOBAL EUROCLEAR/CLEARSTREAM SECURITIES

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

1. *Prescription*

   Claims against the Issuer in respect of Global Euroclear/Clearstream Securities will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the relevant payment date.

2. *Meetings*

   The holder of a Global Euroclear/Clearstream Security shall be treated as being two persons for the purposes of any quorum requirements of a meeting of holders.

3. *Cancellation*

   Cancellation of any Global Euroclear/Clearstream Security that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Global Euroclear/Clearstream Security.

4. *Purchase*

   Global Euroclear/Clearstream Securities may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest thereon.

5. *Issuer's Option*

   Any option of the Issuer provided for in the Conditions of any Global Euroclear/Clearstream Securities shall be exercised by the Issuer giving notice to the holders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Euroclear/Clearstream Securities drawn in the case of a partial exercise of an option and accordingly no drawing of Euroclear/Clearstream Securities shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Euroclear/Clearstream Securities of any Product, the rights of accountholders with a clearing system in respect of the Euroclear/Clearstream Securities will be governed by the standard procedures of Euroclear and/or Clearstream (to be reflected in the records of Euroclear and/or Clearstream as either a pool factor or a reduction in nominal amount, at their discretion or any other Clearing System (as the case may be).

6. *Noteholders' Options*

   Any option of the holders provided for in the Conditions of any Global Euroclear/Clearstream Securities may be exercised by the holder of the Global Euroclear/Clearstream Security giving notice to the relevant Paying Agent within the time limits relating to the deposit of Euroclear/Clearstream Securities with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Euroclear/Clearstream Securities in respect of which the option has been exercised, and stating the nominal amount of Euroclear/Clearstream Securities in respect of which the option is exercised.

7. *Direct Rights*

In the event that (a) repayment or delivery under a Global Euroclear/Clearstream Security (or any part of it) has become due in accordance with the Conditions or that the maturity date of the Euroclear/Clearstream Securities has occurred and, in either case, payment in full of the amount or delivery of the assets has not been made to the bearer, or (b) following an Exchange Event, the Global Euroclear/Clearstream Security is not duly exchanged for Definitive Euroclear/Clearstream Securities by the day provided in the Global Euroclear/Clearstream Security, then from 8.00 p.m. (Luxembourg time) on such day each accountholder will become entitled to proceed directly against the Issuer and the bearer will have no further rights under the Global Euroclear/Clearstream Security.

8. *Notices*

So long as any Global Euroclear/Clearstream Security is held on behalf of a Clearing System, notices to the holders of Euroclear/Clearstream Securities of that Product may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Euroclear/Clearstream Security except that so long as the Euroclear/Clearstream Securities are listed on any stock exchange and the rules of that exchange so require, notices shall also be published as required by the rules of that exchange.

X. OVERVIEW OF PROVISIONS RELATING TO GLOBAL LUXCSD SECURITIES

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

1. *Prescription*

   Claims against the Issuer in respect of Global LuxCSD Securities will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the relevant payment date.

2. *Meetings*

   For so long as all of the LuxCSD Securities are represented by one or both of the Global LuxCSD Securities and such Global LuxCSD Securit(y/ies) is/are held on behalf of LuxCSD, each person who is for the time being shown in the records of LuxCSD as the holder of a particular principal amount of LuxCSD Securities (each an "**Accountholder**") (in which regard any certificate or other document issued by LuxCSD as to the principal amount of such LuxCSD Securities standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of that principal amount for the purposes of any quorum requirements of a meeting of holders.

3. *Cancellation*

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

4. *Purchase*

   Global LuxCSD Securities may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest thereon.

5. *Issuer's Option*

   Any option of the Issuer provided for in the Conditions of any Global LuxCSD Securities shall be exercised by the Issuer giving notice to the holders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of LuxCSD Securities drawn in the case of a partial exercise of an option and accordingly no drawing of LuxCSD Securities shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the LuxCSD Securities of any Product, the rights of Accountholders with LuxCSD in respect of the LuxCSD Securities will be governed by the standard procedures of LuxCSD (to be reflected in the records of LuxCSD as a reduction in principal amount).

6. *Noteholders' Options*

   Any option of the holders provided for in the Conditions of any Global LuxCSD Securities may be exercised by the holder of the Global LuxCSD Security giving notice to the relevant Paying Agent within the time limits relating to the deposit of LuxCSD Securities with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the LuxCSD Securities in respect of which the option has been exercised, and stating the nominal amount of LuxCSD Securities in respect of which the option is exercised.

7. *Direct Rights*

In the event that (a) repayment or delivery under a Global LuxCSD Security (or any part of it) has become due in accordance with the Conditions or that the maturity date of the LuxCSD Securities has occurred and, in either case, payment in full of the amount or delivery of the assets has not been made to the bearer, or (b) following an Exchange Event, the Global LuxCSD Security is not duly exchanged for Definitive LuxCSD Securities by the day provided in the Global LuxCSD Security, then from 8.00 p.m. (Luxembourg time) on such day each Accountholder will become entitled to proceed directly against the Issuer and the bearer will have no further rights under the Global LuxCSD Security.

8. *Notices*

So long as any Global LuxCSD Security is held on behalf of LuxCSD, notices to the holders of LuxCSD Securities of that Product may be given by delivery of the relevant notice to LuxCSD for communication by it to entitled Accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global LuxCSD Security except that so long as the LuxCSD Securities are listed on any stock exchange and the rules of that exchange so require, notices shall also be published as required by the rules of that exchange.

XI. SELLING RESTRICTIONS

Hereinafter are the forms of selling restrictions that will apply with respect to Products issued under the Programme unless otherwise amended, supplemented or modified in any particular Issue Terms.

1. General

No action has been or will be taken by the Issuer or the Lead Manager that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any Products or distribution of any offering material relating to any Products 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 the Issuer and/or the Lead Manager.

The Lead Manager will, unless prohibited by applicable law, provide to each person to whom it offers or sells Products a copy of the Programme Documentation as then amended or supplemented. The Lead Manager is not authorised to give any information or to make any representation not contained in the Programme in connection with the offer and sale of Products to which the Programme relates.

With regard to each issue of Products, additional selling restrictions may be set out in the applicable Issue Terms.

The Products may not be offered or sold to any person in breach of any sanctions program applicable to the Lead Manager or the Issuer or implemented by the Lead Manager or the Issuer, including, without limitation, sanctions administered or enforced by the U.S. Government, (including, without limitation, the OFAC or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council (UNSC), the State Secretariat for Economic Affairs (SECO) of Switzerland or the Swiss Directorate of International Law, the European Union, Her Majesty's Treasury (HMT), or other relevant sanctions authority, including any sanctions to prevent the circumvention of international sanctions in connection with the situation in Crimea and Ukraine (collectively, the "**Sanctions**").

No Investor in the Products

- shall be a sanctioned person or owned more than 50% by a sanctioned person
- shall be located, organised or resident in a country or territory that is the subject or the target of Sanctions (each, a "**Sanctioned Country**");
- undertakes any material business with the government of, or any person, entity or other party located, domiciled, resident or incorporated in a Sanctioned Country;
- will, directly or indirectly, use the proceeds resulting from the Products, or lend, contribute or otherwise make available such proceeds to any entity, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person of Sanctions; and

- for the past five years, has knowingly engaged in and is now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

2. Switzerland

The Products and any Issue Terms and marketing material in relation thereto may only be offered, directly or indirectly, in Switzerland in accordance with FinSA. None of the Products constitute a participation in a collective investment scheme within the meaning of the CISA and are neither subject to the authorisation nor the supervision by the FINMA and Investors do not benefit from the specific investor protection provided under the CISA. Investors are exposed to the default risk of the Issuer.

If and to the extent the Products will be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA, or if the Products were admitted to trading, or listed, on SIX Swiss Exchange and/or BX Swiss, the relevant Final Terms pertaining to the Products have to be deposited with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA.

The Structured Products and Warrants constitute structured products within the meaning of FinSA and may only be offered to Retail Clients in Switzerland if a FinSA-KID or a key information document pursuant to the PRIIPs Regulation has been prepared and provided to the relevant Retail Client. If such Products may only be offered to Retail Clients in the context of asset management mandates, such obligation to provide a FinSA-KID or a PRIIPs-KID would not apply.

Products relating to Issue Terms which have not been deposited with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA may only be offered, sold or advertised, directly or indirectly, in, into or from Switzerland if (a) the Products are addressed solely at Professional or Institutional Clients; (b) are addressed at fewer than 500 Retail Clients; (c) are addressed at Investors acquiring securities to the value of at least CHF 100,000; (d) have a minimum denomination per unit of CHF 100,000; or (e) do not exceed a total value of CHF 8 million over a 12-month period.

Professional or Institutional Clients include: (a) financial intermediaries regulated pursuant to the Swiss Federal Banking Act of 8 November 1934, the Swiss Federal Financial Institutions Act of 15 June 2018 or the CISA; (b) regulated insurance undertakings pursuant to the Swiss Federal Insurance Supervision Act of 17 December 2004; (c) foreign financial intermediaries or insurance undertakings subject to a similar prudential supervision as the financial intermediaries or insurance undertakings pursuant to (a) and (b); (d) central banks; (e) public entities with professional treasury operations; (f) pension funds and occupational pension schemes with professional treasury operations; (g) undertakings with professional treasury operations; (h) large companies that exceed two of the following thresholds: (i) a balance sheet total of CHF 20 million, (ii) turnover of CHF 40 million, and/or (iii) own capital of CHF 2 million; (i) private investment structures for high-net worth individuals with professional treasury operations; and (j) Opting-out Clients.

An "**Opting-out Client**" (*vermögende Privatkundinnen und -kunden und für diese errichtete private Anlagestrukturen*) is a Retail Client who confirms (i) that, based on the education/professional experience or based on comparable experience in the financial sector, he/she/it has the necessary knowledge to understand the risks resulting from an investment in the Products and who owns,

directly or indirectly, eligible financial assets of at least CHF 500,000, or (ii) that he/she/it owns, directly or indirectly, eligible financial assets of at least CHF 2 million.

3. European Economic Area

Public Offer Selling Restriction under the EU Prospectus Regulation

In relation to each Member State of the European Economic Area ("**EEA**") (each a "**Relevant Member State**"), each offeror of the Products represents and agrees that an offer of Products as contemplated by this Base Prospectus may not be made to the public in any Relevant Member State except that it may make an offer of such Product to the public in that Relevant Member State:

a. at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation; or
b. at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant bank or banks nominated by the Issuer for any such offer; or
c. in any other circumstances falling within Article 1(3), 1(4) and/or 3(2)(b) of the EU Prospectus Regulation,

provided that no such offer of Products referred to in a. to c. above shall require the Issuer or any Manager to publish a prospectus or a supplement to a prospectus pursuant to, respectively, Article 3 and Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Product in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Product to be offered so as to enable an Investor to decide to purchase or subscribe the Products. The expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended).

Prohibition of Sales to EEA Retail Investors / No PRIIPs key information document prepared

The Products must not be offered, sold or otherwise made available to any retail investor within the meaning of the Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") in the EEA if a key information document is required by the PRIIPs Regulation for offering or selling the Products or otherwise making them available to retail investors in the EEA and no such document has been prepared. For these purposes, a retail investor means a person who is one (or more) of:

a. a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**");

b. a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as professional client as defined in point (10) of Article 4(1) of MiFID II; or

c. not a qualified investor as defined in the Regulation (EU) 2017/1129.

Therefore, offering or selling the Products or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

For the purposes of this provision, 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 Products to be offered so as to enable an Investor to decide to purchase or subscribe the Products.

4. Belgium

For selling restrictions in respect of Belgium, please see "Public offer selling restrictions under the EU Prospectus Regulation" above.

With respect to Products with a maturity of less than 12 months qualifying as money market instruments within the meaning of the EU Prospectus Regulation, no action will be taken by the Issuer or the Lead Manager in connection with the issue, sale, transfer, delivery, offering or distribution (or otherwise) of such Products that would require the publication of a prospectus pursuant to the Belgian law of 11 July 2018 on the offering of investment instruments to the public and the admission of investment instruments to trading on a regulated market.

In the case of Fund Linked Products, if the relevant underlying Fund(s) to which these Products are linked are not registered in Belgium with the Belgian Financial Services and Markets Authority in accordance with the Belgian law of 19 April 2014 regarding alternative investment funds and their managers and 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 applicable, such Fund Linked Products cannot be offered in Belgium unless (i) Cash Settlement applies or (ii) in case the underlying Fund is a UCITS within the meaning of Directive 2009/65/EC, the Fund Linked Products are offered to qualified investors only or to fewer than 150 natural or legal persons (other than qualified investors).

Bearer securities (including, without limitation, definitive securities in bearer form and securities in bearer form underlying the Products) 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.

Each offeror of the Products has represented and agreed that an offering of Products may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**") and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Products, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Products, directly or indirectly, to any Belgian Consumer unless such offer, sale or re-sale, transfer or delivery is made in compliance with the Belgian Code of Economic Law and its implementing regulations and the Issue Terms expressly provide that the relevant Products may be offered, sold, re-sold, transferred, delivered or otherwise made available to Belgian Consumers.

5. France

This Base Prospectus has not been approved by the Autorité des marchés financiers.

Each offeror of the Products has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Products to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, any Issue Terms or any other offering material relating to the Products. Such offers, sales and distributions have been and will be made in France only in circumstances that do constitute an offer to the public exempted from the obligation to publish a prospectus pursuant to Article L.411-2 of the French Code monétaire et financier ("**CMF**") and more particularly to (a) a restricted circle of investors (*cercle restreint d'investiseurs*) of less than 150 persons other than qualified investors,

acting for their own account; in accordance with Article L. 411-2-1 of the CMF and/or (b) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with Article L 411-2-1° of the CMF and Article 2(e) of the EU Prospectus Regulation and/or (c) investors who acquire Products for a total consideration of at least EUR 100,000 (or its equivalent in another currency) per investor, for each separate offer in accordance with Article L. 411-2-1 2° of the CMF, and/or (d) Products whose nominal amount or equivalent amounts is at least EUR 100,000 (or its equivalent in another currency) in accordance with Article L. 411-2-1 3° of the CMF.

The direct or indirect resale of Products which have been acquired in with respect to an offer to the public exempted from the obligation to publish a prospectus shall be subject to the same restrictions and shall only be made in accordance with Articles L.411-1 and L.411-2 of the CMF.

6. United States of America

The Issuer and/or the Lead Manager are not registered as an investment company under the U.S. Investment Company Act of 1940 (the "**Investment Company Act**"), and the Product has not been, and will not be, registered under U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Product may not be offered or sold within the United States except:

- in compliance with the registration requirements of the Securities Act and all applicable securities laws of the states of the United States; or
- pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable securities laws of the states of the United States; and

in each case, in a transaction that is not prohibited by the Investment Company Act or that would not require the Issuer and/or the Lead Manager to register under the Investment Company Act.

Accordingly, the Product is being offered and sold only outside the United States to non-U.S. persons (within the meaning of Regulation S under the Securities Act) in offshore transactions in reliance on Rule 903 of Regulation S.

Each purchaser of the Product hereunder will be deemed to have acknowledged, represented and agreed that:

1) it understands and acknowledges that the Product has not been registered under the Securities Act or any other applicable securities laws of the states of the United States and that the Product is being offered for resale only in transactions not requiring registration under the Securities Act and may not be offered, sold, assigned, pledged, hypothecated or otherwise transferred except in compliance with the registration requirements of the Securities Act and any other applicable securities laws of the states of the United States or pursuant to an exemption therefrom and in each case in compliance with the conditions for transfer set forth in paragraphs (4), (5) and (7) below;

2) it is not a U.S. person and it is purchasing the Product outside the United States in an offshore transaction in accordance with Regulation S under the Securities Act;

3) it represents and agrees that it and each of its affiliates have not entered and will not enter into any contractual arrangement with respect to the distribution of the Product unless any such arrangement is permitted under the Program and is not in violation of the Securities Act;

4) it is purchasing the Product for its own account, or for an account for which it exercises sole investment discretion and is acting as a fiduciary or agent, in each case for investment purposes, and not with a view to or for an offer or sale in connection with any distribution thereof in violation of the Securities Act or any securities laws of the states of the United States, subject to any requirement of law that the disposition of its property or the property of such investor account(s) be at all times within its or their control and subject to its or their ability to resell such Product pursuant to Regulation S;

5) it understands and agrees that if in the future it decides to resell, assign, pledge, hypothecate or otherwise transfer any Product or any beneficial interests in any Product it will do so only to persons other than U.S. persons, outside the United States in an offshore transaction in reliance on Regulation S under the Securities Act, or in the U.S. pursuant to an exemption from registration under the Securities Act;

6) it understands that the Product will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE ''SECURITIES ACT''), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD, EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER FOR THE BENEFIT OF THE ISSUER AND ANY OF ITS SUCCESSORS IN INTEREST (1) REPRESENTS THAT IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION, (2) AGREES THAT IT WILL NOT, PRIOR TO THE DATE WHICH IS 40 DAYS (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY REGULATION S UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE DATE OF ORIGINAL ISSUE AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THE PRODUCT (OR ANY PREDECESSOR THERETO) (THE ''RESALE RESTRICTION TERMINATION DATE'') RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY OR A BENEFICIAL INTEREST IN THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, (C) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND IN EACH OF SUCH CASES IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED, A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS ''OFFSHORE TRANSACTION,'' ''UNITED STATES,'' AND ''U.S. PERSON'' HAVE THE MEANING GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT;

7) it agrees that it will give to each person to whom it transfers the Product, notice of any restrictions on the transfer of the Product; and

8) it acknowledges that until the expiration of 40 days after the date of the original issue any offer or sale of the Product within the United States by a broker/dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

7. United Kingdom

Public Offer Selling Restriction under the UK Prospectus Regulation

Each offeror of the Products represents and agrees that it has not made and will not make an offer of Products contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Product to the public in the United Kingdom:

a. at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
b. at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant bank or banks nominated by the Issuer for any such offer; or
c. at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Products referred to in a. to c. above shall require the Issuer or any Lead Manager to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Products to the public" in relation to any Products means the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an Investor to decide to purchase or subscribe for the Products and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA and regulations made thereunder.

Prohibition of sales to retail investors in the United Kingdom

Each offeror of the Products represents and agrees that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Products contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to any retail investor in the United Kingdom without an updated key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA for offering or selling the Products or otherwise making them available to retail investors in the UK.

For the purposes of this provision:

the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the United Kingdom (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

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 Products to be offered so as to enable an investor to decide to purchase or subscribe for the Products.

Other regulatory restrictions

Each offeror of the Products has represented and agreed that:

a. *Financial Promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Products in circumstances in which section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and
b. *General Compliance*: it has complied and will comply with all applicable provisions of the FSMA and the Financial Conduct Authority Handbook with respect to anything done by it in relation to any Products in, from or otherwise involving the United Kingdom.

8. Hong Kong

This Base Prospectus has not been reviewed by any regulatory authority in Hong Kong, including the Securities and Futures Commission of Hong Kong, nor has a copy of it been registered by the Registrar of Companies in Hong Kong.

Each offeror of the Products has represented and agreed that:

(i) it has not offered or sold and will not offer and sell such Products in Hong Kong (excluding products defined as "Structured Products" in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**Ordinance**")), by means of any document, to any person other than to (a) "professional investors" within the meaning of the Ordinance and any rules made under the Ordinance, or (b) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Products issued under this Programme which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Products issued under this Programme which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Ordinance and any rules made thereunder.

9. Singapore

This Base Prospectus has not been registered and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified and amended from time to time (the "**SFA**"). Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Products issued under this Programme may not be circulated or distributed, nor may Products issued under this Programme be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined under Section 4 A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined under Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA (which term includes an accredited investor (as defined in Section 4A of the SFA) ("**accredited investor**")), or any person pursuant to an offer referred to in

Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Products are subscribed or purchased under Section 275 by a relevant person which is:

a. a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
b. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual, who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Products issued under this Programme pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person where the transfer arises from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA; or

(2) where no consideration is or will be given for the transfer; or

(3) where the transfer is by operation of law; or

(4) as specified in Section 276(7) of the SFA.

XII. TAXATION

1. General

The following is a general and non-binding summary of certain tax consequences according to the tax laws and the tax authorities' practice as of the date of this document. This outline is a summary and not exhaustive and does not take into consideration possible special circumstances of some Investors and should not be considered as tax advice. It does not aim to be a comprehensive description of all the tax considerations that may be relevant for a decision to invest in Products. The tax treatment of each Investor depends on the particular situation. Tax laws and the tax authorities' practice may undergo changes (or their interpretation or application may change) and their validity might also have retroactive effect.

Purchasers of Products may be required to pay stamp taxes, transaction taxes and other taxes and/or charges in connection with the Products. Investors of Products should be aware that transactions involving the Products, any purchase or disposal of or other dealings in a Product, the abandonment of a Product and any transaction involved in the exercise and settlement or, as the case may be, redemption of a Product, may have tax consequences in any jurisdiction (including but not limited to possible liabilities to stamp duties, transfer and registration taxes). Such tax consequences may depend, amongst other things, upon the status of the potential purchaser of a Product. Purchasers of Products should consult their own tax advisors about the tax implications of purchasing and holding a Product, any transaction involving a Product, and any transaction involved in the exercise and settlement or, as the case may be, redemption of a Product.

2. Swiss Taxation

The overview below is intended as general information only and it does not purport to present any comprehensive or complete picture of all aspects of Swiss tax law which could be of relevance to an Investor. It is limited to Swiss tax law as published and in effect on the date of this Base Prospectus, and it is subject to any change in law, possibly with retroactive effect.

2.1 Swiss Federal Stamp Duties

Neither the issuance of Products nor the trade of Products which classify as pure derivatives for Swiss Federal Stamp Duty purposes are normally subject to Swiss Issuance Stamp Tax (*Emissionsabgabe*) and/or Swiss Federal Securities Transfer Tax (*Umsatzabgabe*) even if an Issuer resident in Switzerland issues the Products. Exemptions to these rules apply to Products which, due to specific features, are considered debt financing instruments (bonds, or money market securities), share-like or fund-like products, as well as Low Exercise Price Options (LEPO) on shares (with a maturity exceeding one year) for purposes of Swiss Federal Stamp Duty law. These specific types of products are in general subject to Swiss Federal Securities Transfer Tax.

If upon the exercise or redemption of a Product an underlying security is delivered to the Investors, the transfer of the underlying security may be subject to Swiss Federal Securities Transfer Tax (i) of 0.15% in the case of an underlying security which has been issued by a Swiss resident issuer or (ii) of 0.3% in the case of an underlying security which has been issued by an issuer resident abroad, provided in both cases that a Swiss securities dealer (*Effektenhändler*), as defined in art. 13 para. 3 of the Swiss Federal Act on Stamp Duties (*Bundesgesetz über die Stempelabgaben*), is a party to the transaction with the underlying security or acts as an intermediary thereto. Certain exemptions may,

inter alia, apply regarding certain institutional investors such as mutual funds, life insurance companies and social security institutions.

2.2 Swiss Federal Withholding Tax

Payments by the Issuer of interest on, and repayment of principal of, the Products may be subject to Swiss Federal Withholding Tax. However, no Swiss Federal Withholding Tax shall be due if the Issuer does not qualify at any time as a Swiss tax resident for Swiss Federal Withholding Tax purposes and the proceeds of the Products will be used outside of Switzerland unless use in Switzerland is permitted under applicable Swiss Federal Withholding Tax rules (all as interpreted by the Swiss Federal Tax Administration).

Should Swiss Federal Withholding Tax be due as the above requirements are not met or for any other reason, the Issuer will arrange for withholding of taxes at the source. The Investor who is resident in Switzerland may be entitled to a full refund of or a full tax credit for the Swiss Federal Withholding Tax, subject to conditions being met.

Non-Swiss resident Investors may be able to claim a full or partial refund of the Swiss Federal Withholding Tax if such Investors are entitled to claim the benefits with regard to such a payment of a double taxation treaty concluded between Switzerland and the Investors' country of residence.

If there was a deduction or withholding of Swiss Federal Withholding Tax on any interest payments in respect of the Products, the Investors would not be entitled to receive any additional amounts as a result of such deduction or withholding under the terms of the Products.

2.3 Swiss Income Taxation of Products Held by Non-Swiss Resident Investors

Payments of interest and repayment of principal as well as the gain realised on the sale or redemption of Products will for an Investor, who is not a resident of Switzerland and who during the relevant taxation year has not engaged in a trade or business through a permanent establishment or a fixed place of business in Switzerland to which the Products are attributable and who is not subject to income taxation in Switzerland for any other reason, not be subject to any Swiss federal, cantonal or communal income tax.

2.4 Swiss Income Taxation of Products Held by Swiss Resident Individuals as Private Assets

Payments or credits received by an Investor, which are considered, from a Swiss taxation perspective, as investment income (dividends or interests or other income), are subject to income tax. Gains or losses realised upon a sale or other disposition by Swiss resident individuals holding a Product as private assets and which qualify as private capital gains or losses for Swiss tax purposes are generally not subject to income taxation or are not deductible from taxable income respectively. Capital gains may, however, be subject to income taxation, if a Product or a distinguishable part thereof qualifies as a bond where the predominant part of the annual yield is paid in a one-time payment (*überwiegende Einmalverzinsung*) or the Product is considered as not transparent for Swiss tax purposes. Losses arising from predominant one time interest paying bonds may be deducted from gains from similar instruments in the same tax period. Furthermore, for low exercise price options (LEPO) with a maturity exceeding one year, the interest component is subject to income tax.

Profits and option premiums from Products, which are considered as pure derivatives for Swiss tax purposes (financial futures, options) are not subject to the income tax as such profits are in general

considered as private capital gains provided the Investor is holding the Products as private assets. Possible losses are not tax-deductible.

Income derived from a Product which is neither a private capital gain nor a repayment of paid-in capital (or face value in case of shares) is generally subject to income tax. This applies, *inter alia*, to any issuance discount, repayment premium, other guaranteed payments (besides repayment of capital) or any combination thereof. Payments or credits received by an Investor because of dividends, interest etc. of the Underlying may be subject to income tax for such Investor. This may apply likewise to payments or credits derived from underlying funds.

2.5 Swiss Income Taxation of Products Held by Swiss Resident Entities or Individuals as Part of Business Assets

Income of any kind realised from Products as part of the business assets of individuals (including deemed securities dealers due to frequent dealing, debt financing and similar criteria ((gewerbsmässiger *Wertschriftenhändler*)) or entities resident in Switzerland are subject to personal income tax or corporate income tax respectively. In general, respective losses are deductible regarding personal or corporate income tax.

2.6 Wealth Taxation of Products held by Swiss Resident Individuals

The market value of Products may be subject to wealth tax levied on the overall net wealth of Swiss resident individuals, regardless of whether the instruments are held as part of the Investor's private or business assets.

2.7 International Automatic Exchange of Information in Tax Matters

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement ("**MCAA**"). Such MCAA is based on article 6 of the Organisation for Economic Cooperation and Development/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information ("AEOI"). The Federal Act on the International Automatic Exchange of Information in Tax Matters ("AEOI Act") entered into force on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of specialty (i.e., the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective, including the dates of commencement of data collection and data exchange, can be found on the website of the State Secretariat for International Financial Matters SIF at www.sif.admin.ch.

Based on such multilateral and bilateral agreements and the implementation of Swiss law, Switzerland collects and exchanges data in respect of financial assets, including, as the case may be, the Products, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a European Union member state or in another AEOI partner state.

3. Luxembourg Taxation

The following summary is of a general nature 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 Structured Products and the Warrants 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 note 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 tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds pour l'emploi) as well as personal income tax (impôt sur le revenu) generally. Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income taxes, municipal business tax, as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

3.1 Structured Products

Withholding Tax

Non-Resident holders of Structured Products
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 Structured Products, nor on accrued but unpaid interest in respect of the Structured Products, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Structured Products held by non-resident holders of Structured Products.

Resident holders of Structured Products
Under Luxembourg general tax laws currently in force and subject to the law of 23 December, 2005 as amended (the "Relibi Law") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Structured Products, nor on accrued but unpaid interest in respect of Structured Products, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Structured Products held by Luxembourg resident holders of Structured Products.

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. Accordingly, payments of interest under the Structured Products coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20 per cent.

Further, Luxembourg resident individuals who are the beneficial owners of interest payments and other similar income made or ascribed by a paying agent established outside Luxembourg in an EU Member State or the European Economic Area may opt for a final 20 per cent. levy. In such case, the 20 per cent. levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the 20 per cent. final levy on interest payments must cover all interest payments made by paying agents to the beneficial owner during the entire civil year. Such 20 per cent. levy is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Income deriving from the Structured Products

Non-Resident holders
Holders of Structured Products will not become residents, or be deemed to be resident in Luxembourg by reason only of the holding of the Structured Products.

Holders of Structured Products who are non-resident of Luxembourg and who do not hold the Structured Products through a permanent establishment or permanent representative in Luxembourg are not liable to any Luxembourg income tax, whether they receive payments of principal, payments of interest (including accrued but unpaid interest), payments received upon redemption, repurchase or exchange of the Structured Products, or realise capital gains on the sale of the Structured Products.

Resident holders – General
Holders of Structured Products who are tax resident in Luxembourg, or non-resident holders of the Structured Products who have a permanent establishment or permanent representative in Luxembourg to which or to whom the Structured Products are attributable, must for income tax purposes include any interest and other income received or accrued on the Structured Products in their taxable income unless an individual holder holds the Structured Products in the frame of the management of its private wealth. If in this last case the aforementioned 20 per cent. withholding tax has been levied it can be credited against the overall income tax liability. They will not be liable to any Luxembourg income tax on repayment of principal.

Luxembourg Resident Individuals
Luxembourg resident individual holders of Structured Products who do not hold Structured Products as business assets are not subject to taxation on capital gains upon the disposal of the Structured Products, unless their disposal precedes their acquisition or they are disposed of within six months of the date of their acquisition. Upon a repurchase, redemption or exchange of Structured Products, the portion of repurchase, redemption or exchange price corresponding to accrued but unpaid interest is subject to the aforementioned 20 per cent. withholding tax. When the aforementioned 20 per cent. withholding tax is applied, it may be credited against the resident individual's income tax liability in case the individual holder of Structured Products does not act in the course of the management of his/her private wealth. Luxembourg resident individual holders of Structured Products who hold Structured Products as business assets are subject to tax as described in relation to "Luxembourg Resident Undertakings with a Collective Character" below.

Luxembourg Resident Undertakings with a Collective Character
Luxembourg resident undertakings with a collective character (organismes à caractère collectif) holding Structured Products, or foreign entities of the same type who have a permanent establishment or permanent representative in Luxembourg to whom the Structured Products are attributable, must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Structured Products, in its taxable income for Luxembourg income tax purposes.

Luxembourg resident undertakings with a collective character that are governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds and which do not fall under the special tax regime set out in article 48 thereof are neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Structured Products.

Net Wealth Tax
Luxembourg net wealth tax (without prejudice to the application of annual minimum net wealth tax rules) will not be levied on a corporate holder of the Structured Products, unless

a. such holder of Structured Products is a Luxembourg resident other than a holder of Structured Products governed by (i) the amended laws of 17 December, 2010 and 13 February, 2007 on undertakings for collective investment and specialised investment funds, respectively; (ii) the amended law of 22 March, 2004 on securitisation; (iii) the amended law of 15 June, 2004 on the investment company in risk capital; (iv) the amended law of 11 May, 2007 on family estate management companies; or (v) the law of 23 July, 2016 on reserved alternative investment funds; or
b. such Structured Products are attributable to a business enterprise or part thereof or which is carried on in Luxembourg or through a permanent establishment or a permanent representative of a non-resident company in Luxembourg. In such a case, the holder of Structured Products must take the Structured Products into account for the purposes of Luxembourg wealth tax.

Please however note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies, governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

An individual holder of Structured Products, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Structured Products.

Other Tax Consequences

Stamp Taxes and Transfer Taxes
There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the holders of Structured Products as a consequence of the issuance of the Structured Products, nor will any of these taxes be payable as a consequence of a subsequent transfer, repurchase or redemption of the Structured Products, unless the documents relating to the Structured Products are either (i) voluntarily registered in Luxembourg or (ii) attached as an annex

to an act (annexés à un acte) that itself is subject to mandatory registration or (iii) deposited in the minutes of a notary (déposés au rang des minutes d'un notaire).

Inheritance / Gift Taxes
No estate or inheritance tax is levied on the transfer of Structured Products upon the death of a holder of Structured Products in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes and no gift tax is levied upon a gift of Structured Products if the gift is not passed before a Luxembourg notary or recorded in a deed registered in Luxembourg. Where a holder of Structured Products is a resident for tax purposes of Luxembourg at the time of his death, the Structured Products are included in its taxable estate for inheritance tax or estate tax purposes.

3.2 Warrants

Non-resident Warrant holders
Under the existing laws of Luxembourg, the exercise or sale of Warrants by a non-resident Holder does not give rise to taxable income in Luxembourg, unless such Warrants were held as business assets by such non-resident through a permanent establishment or through a permanent representative in Luxembourg.

Resident Warrantholders

Individuals
The profit made by a resident individual Warrantholder not holding the Warrants as business assets, on the sale of Warrants or upon the exercise thereof against payment of a cash amount is taxable in Luxembourg if such Warrant is sold or exercised within a period of six months following the acquisition by such person. If Warrants are held by a resident individual Warrantholder as a business asset, they are subject to Luxembourg tax as described in the paragraph "Luxembourg Resident Undertakings with a Collective Character" here below.

Luxembourg Resident Undertakings with a Collective Character
Luxembourg resident undertakings with a collective character (organismes à caractère collectif) holding Warrants, or foreign entities of the same type who have a permanent establishment or permanent representative in Luxembourg to whom the Warrants are attributable, must include the profit made on the sale of the Warrants or upon the exercise thereof against payment of a cash amount in their taxable income for Luxembourg income tax purposes.

Luxembourg resident undertakings with a collective character (organismes à caractère collectif) that are governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds and which do not fall under the special tax regime set out in article 48 thereof are neither subject to Luxembourg income tax in respect of the profit made on the sale of Warrants nor upon the exercise thereof against payment of a cash amount.

Net Wealth Tax
Luxembourg net wealth tax (without prejudice to the application of annual minimum net wealth tax rules) will not be levied on a Warrantholder, unless

a. the Warrantholder is an undertaking with a collective character resident in Luxembourg other than a holder of Warrants governed by (i) the amended laws of 17 December, 2010 and 13 February, 2007 on undertakings for collective investment and specialised investment funds, respectively; (ii) the amended law of 22 March, 2004 on securitisation; (iii) the amended law of 15 June, 2004 on the investment company in risk capital; or (iv) the amended law of 11 May, 2007 on family estate management companies, or (v) the law of 23 July, 2016 on reserved alternative investment funds, or
b. the Warrants are attributable to the permanent establishment or to the permanent representative in Luxembourg of a foreign entity of the same type as a Luxembourg organism with a collective character.

Please however note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies, governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

An individual holder of Structured Products, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Structured Products.

Other Taxes
There is no Luxembourg registration tax, capital tax, stamp duty or any other similar tax or duty payable in Luxembourg in respect of or in connection with the execution and delivery of the Warrants or the performance of the Issuer's obligations under the Warrants, unless the Warrants are either (i) voluntarily registered in Luxembourg or (ii) attached as an annex to an act (annexés à un acte) that itself is subject to mandatory registration or (iii) deposited in the minutes of a notary (*déposés au rang des minutes d'un notaire*).

4. United States Taxation (FATCA and Section 871(m))

The overview below is intended as general information about FATCA and Section 871(m) only. It is limited to the relevant tax law as published and in effect on the date of this Base Prospectus, and it is subject to any change in law, possibly with retroactive effect.

Under Section 1471 through 1474 of the U.S. Internal Revenue Code, as amended, and the regulations promulgated thereunder (collectively referred to as "**FATCA**"), the Issuer may, under certain circumstances, be required to withhold U.S. tax at a rate of 30 percent on all or a portion of interest, principal or other payments on the Products if such payments are treated as "foreign passthru payments" made to foreign financial institutions, unless such foreign financial institution payee complies with applicable FATCA requirements, or other entity payees subject to FATCA withholding. On 13 December 2018 the Internal Revenue Service (IRS) has issued proposed FATCA Regulations confirming the deferral of the withholding on foreign passthru payments until at least two years from the date foreign passthru payments are formally defined in law. As a result, non-U.S. source payments (not subject to Section 871(m)) generally should not be subject to a FATCA withholding tax for the time being.

Nonetheless, if an amount in respect of FATCA withholding tax were to be deducted or withheld from interest, principal or other payments on the Products as a result of a payee's or holder's failure to comply with FATCA, none of the Issuer, any Paying Agent or any other person would, pursuant to

the Terms and Conditions, be required to pay additional amounts or to compensate the payee or the holder as a result of the deduction or withholding of such tax.

Since 1 January 2017, U.S. withholding tax applies to certain payments arising from products treated as in-scope pursuant to Section 871(m) of the U.S. Internal Revenue Code and the corresponding regulations issued by the IRS. If an amount in respect of Section 871(m) were to be deducted or withheld from interest, principal or other payments on the Products, none of the Issuer, any Paying Agent or any other person would, pursuant to the Terms and Conditions, be required to pay additional amounts or to compensate the payee or the holder as a result of the deduction or withholding of such tax. Applicable U.S. withholding tax is deducted regardless of any exemption from or reduction of withholding or deduction otherwise permitted under applicable law.

XIII. GENERAL INFORMATION

AUTHORISATION

The annual update of the Programme and the issuance of Products under the Programme have been duly authorised in accordance with BIL's relevant internal regulations and policies as of 2 December 2020.

LISTING

SIX Exchange Regulation in its capacity as Swiss Prospectus Office within the meaning of FinSA has approved this Base Prospectus as of 19 December 2024 and on the basis of such approval the Products may be listed on SIX Swiss Exchange AG and BX Swiss AG. Subject to local regulation the Products may also be listed on other trading venues (including multilateral trading systems).

CLEARING SYSTEMS

The Products have been accepted for clearing through SIX SIS AG. If the Products are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Issue Terms.

AUDITORS

The financial statements for the years ending 31 December 2022 and 2023 of BIL have been prepared in accordance with the IFRS and has been reported upon without qualification for BIL by PricewaterhouseCoopers, Société Coopérative which has its principal place of business at 2, Rue Gerhard Mercator, L-2182 Grand Duchy of Luxembourg. PricewaterhouseCoopers has been appointed by the board of directors of BIL in December 2019 as the external auditor of BIL for the financial statements for years 2021-2023.

SIGNIFICANT CHANGE

Save as disclosed herein there has been no significant change in the financial or trading position of BIL and its branches, except as caused by the issuance listed and non-listed products.

TREND INFORMATION

Save as disclosed herein (including any information incorporated by reference herein) BIL is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on their respective prospects during the current financial year.

JUDICIAL, ARBITRATION AND ADMINISTRATIVE PROCEEDINGS

Save as disclosed herein (including any information incorporated by reference herein), neither BIL nor any of its branches is or has been involved in any judicial, arbitration or administrative proceedings which may have or have had during the 12 months preceding the date of this Base Prospectus a significant effect on the financial position or prospects of BIL or its branches. Nor so far as BIL and its branches (taken as a whole) are aware, are any such proceedings pending nor threatened.

USE OF PROCEEDS

BIL intends to use the net proceeds from each issue of Products for general purposes and for hedging the obligations created by the issuance of the Products.

XIV. RESPONSIBILITY

Banque Internationale à Luxembourg S.A. accepts responsibility for the information contained in this Base Prospectus. The Issuer declares that the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission of material information.

REGISTERED AND PRINCIPAL OFFICES OF THE ISSUER

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Grand Duchy of Luxembourg

SCHEDULE 1
PART A

Previous Terms and Conditions

Issuer	**Name**	**Date**
Banque Internationale à Luxembourg S.A.	Issuance and Offering Programme	29 January 2021
Banque Internationale à Luxembourg S.A.	Issuance and Offering Programme	27 January 2022
Banque Internationale à Luxembourg S.A.	Issuance and Offering Programme	30 December 2022
Banque Internationale à Luxembourg S.A.	Issuance and Offering Programme	21 December 2023

SCHEDULE 1
PART B

Existing Products

CH0585067827	CH1258220271	CH1284253239	CH1322031035	CH1322036018
CH0585067454	CH1284243362	CH1284253395	CH1322029492	CH1322035648
CH0585069690	CH1284244303	CH1284253270	CH1322030862	CH1345090281
CH1143780034	CH1284244790	CH1284253494	CH1322030334	CH1322037131
CH1143780042	CH1284245052	CH1284255242	CH1322030540	CH1322036620
CH1143781818	CH1284247504	CH1284253676	CH1322033130	CH1345090273
CH1143782485	CH1284244261	CH1284255432	CH1322031480	CH1345089952
CH1143782568	CH1284246324	CH1284253866	CH1322032769	CH1345089713
CH1143782592	CH1284247199	CH1284254021	CH1322032744	CH1345090422
CH1143783087	CH1284245821	CH1284255580	CH1322032843	CH1345092527
CH1156471851	CH1284245839	CH1284256034	CH1322031639	CH1345090471
CH1210302084	CH1284249682	CH1284254443	CH1322031753	CH1345089325
CH1210309634	CH1284247587	CH1284256281	CH1322033338	CH1345089523
CH1210308362	CH1284249724	CH1322027868	CH1322032017	CH1345092550
CH1244698440	CH1284248684	CH1284244592	CH1322032439	CH1345090455
CH1244700832	CH1284250102	CH1322027876	CH1322032710	CH1345090166
CH1244700816	CH1284250128	CH1322027884	CH1322032868	CH1345090257
CH1244700964	CH1284250136	CH1322027967	CH1322033262	CH1345090489
CH1244700972	CH1284250219	CH1284254070	CH1322033023	CH1345090885
CH1244700048	CH1284250185	CH1284254054	CH1322035424	CH1345091065
CH1244704545	CH1284249401	CH1284256729	CH1322034161	CH1345091529
CH1244703190	CH1284249096	CH1322028643	CH1322033932	CH1345091511
CH1210309832	CH1284250532	CH1322028650	CH1322033957	CH1345092683
CH1244706763	CH1284250441	CH1284256943	CH1322033940	CH1345092428
CH1244706664	CH1284252371	CH1284257131	CH1322033973	CH1345092345
CH1244706599	CH1284252454	CH1284257081	CH1322035432	CH1345092444
CH1244707480	CH1284252959	CH1322027223	CH1322034302	CH1345092360
CH1258212195	CH1284250888	CH1284256257	CH1322035226	CH1345094853
CH1258213219	CH1284251068	CH1322027595	CH1322036562	CH1345092857
CH1258216014	CH1284251449	CH1322028239	CH1322033999	CH1345092840
CH1258217715	CH1284251746	CH1322030813	CH1322033486	CH1345092865
CH1244707399	CH1284251738	CH1284256182	CH1322035192	CH1345092873
CH1258218168	CH1284255069	CH1284256810	CH1322034443	CH1345094762
CH1258217657	CH1284252025	CH1322028973	CH1322034369	CH1345094887
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