

SUPPLEMENT DATED 17 FEBRUARY 2015 TO THE

BASE PROSPECTUS DATED 31 JULY 2014

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

(incorporated with limited liability in the Republic of Italy)

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.

(incorporated with limited liability in Luxembourg)

Structured Note Issuance Programme

guaranteed in the case of Notes issued by Mediobanca International (Luxembourg) S.A.

by

MEDIOBANCA - Banca di Credito Finanziario S.p.A.



*This supplement dated 17 February 2015 (the “**Supplement**”) to the base prospectus dated 31 July 2014 (the “**Base Prospectus**”) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and of Directive 2004/39/EC and is prepared in connection with the Structured Note Issuance Programme of Mediobanca - Banca di Credito Finanziario S.p.A. (“**Mediobanca**”) and Mediobanca International (Luxembourg) S.A. (“**Mediobanca International**”) (each an “**Issuer**” and together the “**Issuers**”).*

Capitalised terms used in this Supplement and not otherwise defined herein, shall have the same meaning ascribed to them in the Base Prospectus.

This Supplement constitutes a supplement to, and shall be read in conjunction with the Base Prospectus.

*This Supplement is for the purposes of: (i) updating the “Documents Incorporated by Reference” section on page 97 of the Base Prospectus to incorporate by reference (a) the English translation of the registration document of Mediobanca approved by the Commissione Nazionale per la Società e la Borsa (“**CONSOB**”) on 16 October 2014 (the “**Mediobanca Registration Document 2014**”); (b) the audited consolidated annual financial statements of Mediobanca as at and for the year ended on 30 June 2014; (c) the audited non-consolidated annual financial statements of Mediobanca International as at and for the year ended on 30 June 2014; (ii) updating the “Information on Mediobanca – Banca di Credito Finanziario S.p.A.” section and any other part of the Base Prospectus where such information is disclosed with the most recent information set out in the Mediobanca Registration Document 2014; (iii) updating the “Information on Mediobanca International (Luxembourg) S.A.” section and any other part of the Base Prospectus where such information is disclosed with the most recent financial information; and (iv)*

updating the Base Prospectus with the 2014 ISDA Credit Derivatives Definitions. The audited consolidated annual financial statements of Mediobanca as at and for the year ended on 30 June 2014 have been approved at the Board of Directors' meeting of Mediobanca held on 17 September 2014. The financial statements for the year will be adopted by shareholders of Mediobanca at a general meeting to be held on 28 October 2014.

Each of the Issuers and, with respect to Notes issued by Mediobanca International, also the Guarantor, accepts responsibility for the information contained in this document and, to the best of the knowledge of each of the Issuers and the Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

*This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**" or "**CBI**"), as the competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.*

Copies of this Supplement will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the website of the Irish Stock Exchange (www.ise.ie), on the Mediobanca's website (www.mediobanca.it) and on the Mediobanca International's website (www.mediobancaint.lu).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

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AMENDMENTS TO THE SECTION “SUMMARY OF THE PROGRAMME”

The following paragraphs “B.4b Description of trends”, “B.12 Selected historical key information/material adverse change/significant changes”, “C.15 Effects of the underlying” and “D.3 Key risks specific to the securities” shall replace the paragraphs “B.4b Description of trends”, “B.12 Selected historical key information/material adverse change/significant changes”, “C.15 Effects of the underlying” and “D.3 Key risks specific to the securities” set out in the section Summary on pages 10-14, 34-35 and 44-49 of the Base Prospectus:

B.4b	Descripti on of trends	<p>Mediobanca</p> <p>[Not applicable. As at the date of this Base Prospectus – as supplemented by the Supplement dated 17 February 2015 - Mediobanca is not aware of any known trends affecting itself and the industries in which it operates.]</p> <p>[Mediobanca International</p> <p>[Not applicable. As at the date of this Base Prospectus – as supplemented by the Supplement dated 17 February 2015 - Mediobanca International is not aware of any known trends affecting itself and the industries in which it operates.]</p>
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B.12	Selected historical key informati on / material adverse change / significan t changes	<p>Mediobanca</p> <p>The audited consolidated balance sheet and profit and loss account of Mediobanca as at 30 June 2014 are shown below, along with comparative data for the year ended 30 June 2013, plus a series of key financial indicators.</p> <p>Regulatory capital and solvency margins</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">New definitions (CRR/CRD IV)</th> <th style="width: 20%;">Basel 2.5 definitions (in force until 31/12/13)</th> <th style="width: 20%;">30/6/14** (€m) or %</th> <th style="width: 20%;">30/6/13 (€m) or %</th> </tr> </thead> <tbody> <tr> <td>Common Equity Tier 1 – CET1</td> <td>Tier 1 capital</td> <td>6,506.7</td> <td>6,153.2</td> </tr> <tr> <td>Additional Tier 1 – AT1</td> <td></td> <td>-</td> <td></td> </tr> <tr> <td>Tier 2 – T2</td> <td>Tier 2 capital</td> <td>1,576.2</td> <td>2,002.2</td> </tr> <tr> <td>Own funds</td> <td>Regulatory capital</td> <td>8,082.9</td> <td>8,155.4</td> </tr> <tr> <td>RWAs*</td> <td>Risk – weighted assets (RWA*)</td> <td>58,744.1</td> <td>52,372.1</td> </tr> <tr> <td>Common Equity Tier 1 ratio – CET1 ratio</td> <td>Core Tier 1 capital ratio</td> <td>11.08%</td> <td>11.75%</td> </tr> <tr> <td>Tier 1 ratio – T1 ratio</td> <td>Tier 1 capital/RWAs (Tier 1 capital ratio)</td> <td>11.08%</td> <td>11.75%</td> </tr> <tr> <td>Total capital ratio</td> <td>Regulatory capital/RWAs (Total capital ratio)</td> <td>13.76%</td> <td>15.57%</td> </tr> <tr> <td>Risk – weighted assets/Total assets</td> <td>RWAs</td> <td>83.4%</td> <td>71.9%</td> </tr> </tbody> </table> <p>**Information updated by way of the Supplement dated 17 February 2015</p> <p>*Risk –weighted assets (RWAs) have been calculated using the standardised methodology for credit and market</p>	New definitions (CRR/CRD IV)	Basel 2.5 definitions (in force until 31/12/13)	30/6/14** (€m) or %	30/6/13 (€m) or %	Common Equity Tier 1 – CET1	Tier 1 capital	6,506.7	6,153.2	Additional Tier 1 – AT1		-		Tier 2 – T2	Tier 2 capital	1,576.2	2,002.2	Own funds	Regulatory capital	8,082.9	8,155.4	RWAs*	Risk – weighted assets (RWA*)	58,744.1	52,372.1	Common Equity Tier 1 ratio – CET1 ratio	Core Tier 1 capital ratio	11.08%	11.75%	Tier 1 ratio – T1 ratio	Tier 1 capital/RWAs (Tier 1 capital ratio)	11.08%	11.75%	Total capital ratio	Regulatory capital/RWAs (Total capital ratio)	13.76%	15.57%	Risk – weighted assets/Total assets	RWAs	83.4%	71.9%
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risks and the base methodology for operational risks.

CREDIT RISK INDICATORS	30/6/13 (%)	Banking system data as at 30/6/13 (%)	30/6/14 * (%)	Banking system data as at 31/12/13 (%)
Gross NPLs/gross loans	1.6%	7.8%	1.3%	8.7%
Net NPLs/net loans	0.6%	3.8%	0.7%	4.3%
Gross irregular items/gross loans	3.6%	14.4%	5.4%	15.9%
Net irregular items/loans	2.1%	n/a	2.9%	n/a
NPL coverage ratio	66.5%	55.2%	67.1 %	56.9%
Irregular items coverage ratio	44.9%	19.9%	50.4 %	41.8%
Net NPLs/net equity	3.8%	18.5%	3.4%	20.6%
Large Risks Index ⁽¹⁾ /total loans	27.2%	n/a	22.0 %	n/a
Cost of risk ⁽²⁾	1.45%		2.30 %	

(1) Weighted value.

(2) The cost of risk is obtained from the ratio between total loan loss provisions for the period and average net loans and advance to customers.

*Information updated by way of the Supplement dated 17 February 2015.

COMPOSITION OF THE IMPAIRED LOANS	30/6/14*	30/6/13
	€m	€m
NPLs	270,96	262,74
Sub-standard	692,21	298,84
Restructured	67,32	236,80
Overdue impaired	128,69	191,83
TOTAL IMPAIRED	1,159.18	990,21

*Information updated by way of the Supplement dated 17 February 2015.

MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/14**** *	30/6/13	CHANGES 2014/2013 %
	€m	€m	
Assets			
Due from banks	9,323.80	8,199.70	13.7%
Due from clients	8,418.50	11,489.8	-26.7%
Financial assets*	23,493.90	27,090.60	-13.3%
Total Assets	70,464.00	72,841.30	-3.3%
Liabilities			
Debt securities	22,617.70	25,856.40	-12.5%
Financial liabilities**	11,813.26	12,702.60	-7.0%
Direct funding (from customers)***	11,481.57	11,874.21	-3.3%
Net interbank position****	6,172.00	7,511.20	-17.8%
Net equity	7,477.90	7,124.30	5.0%
of which: share capital	430,70	430,60	0.0%

* Includes the Financial assets held for trading, the Financial Assets available for sale, the Financial Assets held to maturity and the hedging derivatives

** Includes debts due to banks and the hedging derivatives

***Includes debts due to clients, debt securities and financial liabilities recognised at fair value

**** Net balance between amounts due to banks and assets due from banks

****Information updated by way of the Supplement dated 17 February 2015

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/14	30/6/13	CHANGES 2014/2013 %
		€m	€m
Net interest income	1,060.9	1,066.3	-0.5%
Net fee and commission income	334,8	308,0	8.7%
Total income	1,663.1	1,557.7	6.6%
Net profit from financial and insurance operations	983,1	853,0	15.3%
Operating costs	-726,9	-676,4	7.5%
Profit before Tax	501,0	-22,8	-
Net Profit	464,8	-176,2	-

Mediobanca International

The following tables show the capitalisation (in Euro) and the cash flow statements of Mediobanca International as at 30 June 2014 and 2013.

As at 30 June		
(Euro)		
	2014*	2013
Shareholders equity		
Share capital	10,000,000	10,000,000
Reserves	235,800,426	221,051,434
Retained earnings	--	--
Net profit	19,011,621	14,748,992
Total Shareholder's equity	264,812,047	245,800,426
Medium and long-term debt¹		
1. Amounts owed to credit institutions	913,095,568	978,792,213
2. Notes and bonds payable	1,209,268,468	1,372,748,614
Total medium and long-term debt	2,122,364,036	2,351,540,827
Total capitalisation	2,387,176,083	2,597,341,253

**Information updated by way of the Supplement dated 17 February 2015.

CASH FLOW FROM OPERATING ACTIVITIES	Year ended 30 June	
	2014*	2013
	(Euro thousands)	
Operating activities	-87,705	-73,478
Cash generated/(absorbed) by financial assets	98,567	1,711,476
Cash (generated)/absorbed by financial liabilities	186,275	-1,330,492
Net cash flow (outflow) from operating activities	3	307,506
CASH FLOW FROM		

¹ Medium and Long-term debt consists of amounts owed to credit institutions and notes and bonds payable for which the original maturity, at the date of issuance, was 18-months or longer.

		INVESTMENT ACTIVITIES		
		Net cash flow (outflow) from investment activities	-4	-307,505
		FUNDING ACTIVITIES		
		Net cash flow (outflow) from funding activities	-	-
		NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD	-1	1

**Information updated by way of the Supplement dated 17 February 2015

		<p>Mediobanca</p> <p><i>Material adverse change</i></p> <p>Since 30 June 2014 with respect to Mediobanca there have been no material adverse changes to the prospects of either Mediobanca or the Group headed up by it.</p> <p><i>Significant changes</i></p> <p>Not applicable. There have been no significant changes to financial or trading position of Mediobanca or the other companies forming part of the Group since the most recent financial information available was disclosed in the consolidated interim financial statements as at 30 June 2014.</p> <p>Mediobanca International</p> <p><i>Material adverse change</i></p> <p>Since 30 June 2014 with respect to Mediobanca International there have been no material adverse changes to the prospects of Mediobanca International.</p> <p><i>Significant changes</i></p> <p>Not applicable. There have been no significant changes to financial or trading position of Mediobanca International since the most recent financial information available was disclosed in the non-consolidated financial statements as at 30 June 2014.</p>
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C.15	Effect of the underlying	<p>[Not applicable - the Notes have a denomination of at least EUR 100,000.]</p> <p>[General</p> <p><i>[Insert if the Notes are Share Linked Notes, Index Linked Notes, Fund Linked Notes, Inflation Linked Notes, Commodity Linked Notes, Debt Linked Notes, Interest Rate Linked Notes and/or FX Linked Notes:</i></p> <p>[The Notes enables investors to participate in the performance of the Reference Item from the [Issue Date] [●] until [●] [the [Final] Valuation Date[s]].</p> <p>Each Note entitles its holder to receive from the Issuer [on each Interest Payment Date the Interest Amount and] on the Maturity Date the [Final Redemption Amount] [Entitlement, following payment of any sums payable and Expenses]. The [amount of [each Interest Amount] [and] [the Final Redemption Amount]] will depend on the value of the Reference Item on the relevant valuation date] [value of the Entitlement will depend on its market value at the time of delivery].]</p> <p><i>[Insert if the Notes are Single Name Credit Linked Notes:</i></p>
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		<p>The Notes enables investors to receive an enhanced rate of interest as a result of their exposure to the Reference Entity. However, if a Credit Event occurs with respect to the Reference Entity, the Notes will be redeemed in full prior to their Maturity Date and Noteholders will receive [an amount in [specify currency]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. [The amount payable] will depend on the [level][value] of the Reference Obligation(s) at the point of determination [and will be equal to []][value of the Deliverable Obligations will [be []] [depend on various factors including the market value of the Reference Entity at the time of delivery].</p> <p>If no Credit Event occurs, Noteholders will receive a Final Redemption Amount of [] on the Maturity Date.]</p> <p><i>[Insert if the Notes are First-to-Default Credit Linked Notes or Nth-to-default Credit Linked Notes:</i></p> <p>The Notes enables investors to receive an enhanced rate of interest as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, if a Credit Event occurs with respect to [any] [the [first] [second][third] []] Reference Entity, the Notes will be redeemed in full prior to their Maturity Date and Noteholders will receive [an amount in [specify currency]][,][an amount of [Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. [The amount payable will depend on the [level][value] of the Reference Obligation(s) at the point of determination [and will be equal to []][value of the Deliverable Obligations will [be []] [depend on various factors including the market value of the Reference Entity at the time of delivery].</p> <p>If no Credit Event occurs, Noteholders will receive a Final Redemption Amount of [] on the Maturity Date.]</p> <p><i>[Insert if the Notes are Linear Basket Credit Linked Notes:</i></p> <p>The Notes enables investors to receive an enhanced rate of interest as a result of their exposure to the Reference Entities. However, if a Credit Event occurs with respect to a Reference Entity, the Notes will be redeemed in part prior to their Maturity Date and Noteholders will receive [an amount in [specify currency]][,][an amount of [Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. [The amount payable will depend on the [level][value] of the Reference Obligation(s) at the point of determination [and will be equal to []][value of the Deliverable Obligations will [be []] [depend on various factors including the market value of the Reference Entity at the time of delivery].</p> <p>If no Credit Event occurs, Noteholders will receive a Final Redemption Amount of [] on the Maturity Date.]</p>
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D.3	Key risks specific to the securities	<p>In addition, there are certain factors which are material for the purpose of assessing the risks related to Notes issued under the Programme. The Notes may not be suitable for all investors. A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. These include the following:</p> <p><i>General</i></p>
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		<p>(i) The Notes may not be a suitable investment for all investors.</p> <p>(ii) An investment in the Notes, which are linked to the Reference Items, may entail significant risks not associated with investments in conventional securities such as debt or equity securities.</p> <p><i>Risk related to the structure of a particular Issue of Notes</i></p> <p>(i) The Notes involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Purchasers should be prepared to sustain a partial or total loss of the purchase price of their Notes.</p> <p>(ii) Certain risk factors related to Notes referencing a Reference Item, including that the market price of the Notes may be volatile; that investors may receive no interest; that investors may lose all or a substantial portion of their principal in case of non-capital guaranteed Notes; that the Reference Items may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities or indices; that the timing of changes in a Reference Item may affect the actual yield to investors, even if the average level is consistent with their expectations; that with respect to Share Linked Notes, if the Notes are redeemable either by payment of the principal amount or by delivery of the underlying shares in lieu thereof, there is no assurance that the value of the shares received will not be less than the principal amount of the Notes; and Notes are of limited maturity and, unlike direct investments in a share, index, fund, security, inflation index, commodity or other asset, investors are not able to hold Notes beyond the Maturity Date in the expectation of a recovery in the price of the underlying.</p> <p>(iii) Risks relating to the performance of a basket and its components and certain considerations associated with Notes providing for the application of a component weight.</p> <p>(iv) Certain Considerations Associated with Share Linked Notes Relating to Shares (or Baskets of Shares).</p> <p>(v) Certain considerations relating to Index Linked Notes, including that returns on the Notes do not reflect a direct investment in underlying shares or other assets comprising the Index, a change in the composition or discontinuance of an Index could adversely affect the market value of the Notes, the investor will have an exposure to certain events occurring with respect to the Index and the additional risks in relation to Commodity Indices.</p> <p>(vi) Certain considerations associated with Fund Linked Notes relating to funds (or baskets of funds), including that a fund may be subject to events which may adversely impact the value of Fund Linked Notes, the risk from composition and changes to a fund, funds may be subject to transfer restrictions and illiquidity, events which affect the value of a fund will affect the value of Fund Linked Notes, as the shares of certain funds may only be redeemable on certain dates, there is a risk of delays or defaults in payment.</p> <p>(vii) Certain considerations associated with Credit Linked Notes, including that Investors should note that Credit Linked Notes differ from ordinary debt securities issued by the Issuer in that the amount of principal and interest payable by the Issuer is dependent on whether a Credit Event has occurred in</p>
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respect of the relevant Reference Entity/ies, investors in Credit Linked Notes will be exposed to the credit risk of the Reference Entity, holders of Credit Linked Notes will have a contractual relationship only with the Issuer and not with any obligor in respect of any Reference Obligation or any Reference Entity, any quotations used in the calculation of the Cash Settlement Amount may be affected by factors other than the occurrence of the Credit Event, some Reference Obligations may have no, or only a limited, trading market, the terms and conditions of Credit Linked Notes do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions or the 2014 ISDA Credit Derivatives Definitions (together, the “**Credit Derivatives Definitions**”) and there may be differences between the definitions used with respect to Credit Linked Notes and the Credit Derivatives Definitions.

- (viii) Certain considerations associated with Inflation Linked Notes, including that a relevant consumer price index or other formula linked to a measure of inflation to which the Notes are linked may be subject to significant and unforeseeable fluctuations that may not correlate with general changes in interest rates, currencies or other indices, the timing of changes in the relevant consumer price index or other formula linked to a measure of inflation to which the Notes are linked may affect the amount that investors in Inflation Linked Notes receive and such consumer price index or other formula may not correlate perfectly with the rate of inflation experienced by holders of the relevant Inflation Linked Notes in such jurisdiction and events which affect the consumer price index or other formula will affect the value of Fund Linked Notes.
- (ix) Certain considerations associated with Commodity Linked Notes that are linked to commodity futures contracts or commodity indices, including Ownership of the Notes will not entitle an investor to any rights with respect to any futures contracts or commodities included in or tracked by the Reference Item(s), factors affecting the performance of commodities may adversely affect the value of the relevant Commodity Linked Notes; commodity prices may be more volatile than other asset classes, commodities may reference physical commodities or commodity contracts, and certain commodity contracts may be traded on unregulated or “under-regulated” exchange, Commodity Linked Notes which are linked to commodity futures contracts may provide a different return from Commodity Linked Notes linked to the relevant physical commodity and will have certain other risks, additional risks in relation to the “rolling” of commodity futures contracts (including commodity futures contracts which are components of a commodity index, legal and regulatory changes relating to the commodities may lead to an early redemption.
- (x) Certain considerations associated with Debt Linked Notes.
- (xi) Certain considerations associated with FX Linked Notes.
- (xii) Certain considerations associated with Interest Rate Linked Notes.
- (xiii) Risks relating to Notes which are linked to emerging market Reference Item(s).
- (xiv) Certain considerations associated with Notes providing for the application of a

		<p>cap to the Reference Item(s).</p> <p>(xv) Notes with inverse floating rates can be volatile investments.</p> <p>(xvi) If specified in the Final Terms that a Multiplier or Reference Rate Multiplier applies in respect of the determination of the Interest Rate, any fluctuation of the underlying floating rate will be amplified by such multiplier. This may adversely affect the return on the Notes.</p> <p>(xvii) Potential investors should also consider that, with respect to the Notes bearing interest also at a Floating Rate, where the underlying interest rate does not rise above the level of the Minimum Interest Rate, comparable investments in notes which pay interest based on a fixed rate which is higher than the Minimum Interest Rate are likely to be more attractive to potential investors than an investment in the Notes. Under those conditions, investors in the Notes might find it difficult to sell their Notes on the secondary market (if any) or might only be able to realise the Notes at a price which may be substantially lower than the nominal amount. To the extent a Maximum Interest Rate applies, investors should be aware that the Interest Rate is capped at such Maximum Interest Rate level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affect the market value of the Notes.</p> <p>(xviii) If specified in the Final Terms, to the extent that the Issuer is required by law to withhold or deduct any present or future taxes of any kind imposed or levied by or on behalf of the Republic of Italy or the Grand Duchy of Luxembourg, as appropriate, the Issuer will not be under an obligation to pay any additional amounts to Noteholders.</p> <p>(xix) An optional redemption feature of Notes is likely to limit their market value.</p> <p>(xx) In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction, the Issuer may redeem all outstanding Notes in accordance with the Conditions, unless in the case of any particular Tranche of Notes the relevant Final Terms specifies otherwise.</p> <p><i>Risk Factors related to the Notes generally:</i></p> <p>(i) The Final Redemption Amount (in the case of Share Linked Notes, Index Linked Notes, Fund Linked Notes, Inflation Linked Notes, Commodity Linked Notes, FX Linked Notes, Interest Rate Linked Notes or Debt Linked Notes that are not Physical Delivery Notes) or the value of the Entitlement (in the case of Physical Delivery Notes) at any time prior to maturity is typically expected to be less than the trading price of such Notes at that time. The difference between the trading price and the Cash Settlement Amount or the value of the Entitlement, as the case may be, will reflect, among other things, a "time value" for the Notes.</p> <p>(ii) Prospective investors intending to purchase Notes to hedge against the market risk associated with investing in the Reference Item should recognise the complexities of utilising Notes in this manner.</p> <p>(iii) If it is specified in the Final Terms that English law is applicable to the Notes,</p>
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		<p>the Notes are governed by, and shall be construed in accordance with, English law. If it is specified in the Final Terms that Italian law is applicable to the Notes, the Notes are governed by, and shall be construed in accordance with, Italian law. No assurance can be given as to the impact of any possible judicial decision or change to English law and/or Italian law or administrative practice after the date of this Base Prospectus.</p> <p>(iv) Unless otherwise provided in the Final Terms, “Euroclear Bank S.A./N.V. (“Euroclear”) and/or Clearstream Banking, société anonyme, Luxembourg (“Clearstream, Luxembourg”) will maintain records of the beneficial interests in the Global Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.</p> <p>(v) The Issuers and the Guarantor may, without the consent of Noteholders, correct (i) any manifest error in the Terms and Conditions of the Notes and/or in the Final Terms; (ii) any error of a formal, minor or technical nature in the Terms and Conditions of the Notes and/or in the Final Terms or (iii) any inconsistency in the Terms and Conditions of the Notes and/or in the Final Terms between the Terms and Conditions of the Notes and/or the Final Terms and any other documents prepared in connection with the issue and/or offer of a Series of Notes (provided such correction is not materially prejudicial to the holders of the relevant Series of Notes).</p> <p>(vi) Potential conflicts of interest may exist between Dealers, which may underwrite the Notes issued under the Programme and receive in consideration underwriting commissions and selling concessions, or Mediobanca, which may act as market maker or specialist or perform other similar roles in connection with the notes, on the one hand, and investors in the Notes on the other.</p> <p>(vii) The Notes may be issued and withheld by the Issuer for the progressive sale on the market in accordance with investors’ demand. In this context an investor who acquires the Notes does not know at the moment of purchase how much of the issued Notes effectively are publicly traded, with the consequence that the amount in circulation could be meagre and may not guarantee successively adequate liquidity in the Notes.</p> <p>(viii) In the event the Issuer decides to issue further Notes having the same terms and conditions as an already existing Series of Notes (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) and so that the further Notes shall be consolidated and form a single series with the original Notes, the greater nominal amount in circulation could lead to greater liquidity in the secondary market with a consequent negative impact on the price of the relevant Series of the Notes.</p> <p>(ix) Certain risks relating to Physical Delivery Notes, including that a holder of Notes must pay all Expenses relating to such Notes; the risks associated with physical delivery requirements and settlement risk and the Issuer may have an option to vary settlement.</p> <p>(x) If applicable, the amount that holders may receive in certain circumstances will be adjusted upwards or downwards to reflect the costs of unwinding any</p>
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associated hedging transactions relating to the Notes.

(xi) Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State of the European Economic Area is required to provide to the tax authorities of another Member State of the European Economic Area details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person in favour of, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments deducting tax at rates of 35%.

(xii) The Issuer, the Guarantor and other financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued or materially modified on or after six months after the date of publication of the final regulations that define “foreign passthru payments” and (ii) any Notes characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued, pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code or similar law implementing an intergovernmental approach to FATCA. On 10 January 2014 the Italian Government entered into an Intergovernmental Agreement (the “IGA”) with the U.S.A. Government relating to the implementation of FATCA. At the date hereof, the Italian Parliament has not yet implemented the IGA into Italian law. Once implemented, the IGA will have retroactive effect from 1 July 2014. According to the IGA, different rules than those described above may apply.

On March 28, 2014 Luxembourg concluded an intergovernmental agreement to "Improve International Tax Compliance and with respect to the United States Information and Reporting Provisions Commonly Known as the Foreign Account Tax Compliance Act" (the "Luxembourg IGA"). Under the Luxembourg IGA, the United States and the Luxembourg have agreed to implement FATCA through domestic reporting duties for financial institutions, an automatic exchange of account information between the public authorities of the two countries and on the basis of existing bilateral tax treaties. The Luxembourg Parliament must ratify the IGA under Luxembourg law before it enters into force.

Risk Factors relating to the market generally:

(i) Notes may have no established trading market when issued, and one may never develop. The Issuer has not any obligation to purchase the Notes from the Noteholders. However, should the Issuer decide to purchase the Notes, the secondary market pricing that the Issuer may provide on the Notes may reflect the unwinding cost of the hedging portfolio (if any).

(ii) The Issuer will pay principal and interest on the Notes in the Relevant Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Relevant Currency.

	<p>(iii) One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes.</p> <p>(iv) The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers.</p> <p>(v) Implicit fees (e.g. placement fees, direction fees, structuring fees) may be a component of the Issue/Offer Price of Notes, but such fees will not be taken into account for the purposes of determining the price of the relevant Notes in the secondary market.</p> <p>(vi) If Notes are distributed by means of a public offer, under certain circumstances indicated in the Final Terms, the Issuer and/or other entities specified in the Final Terms may have the right to withdraw the offer, which in such circumstances will be deemed to be null and void according to the terms indicated in the Final Terms.</p> <p>(vii) It is not possible to predict the price at which Notes will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list or admit Notes to trading on a stock exchange or market. The Issuer, or any of its Affiliates may, but is not obliged to, at any time purchase Notes at any price in the open market or by tender or private agreement.</p> <p>(ix) In respect of Notes which are (in accordance with the applicable Final Terms) to be listed on a stock exchange, market or quotation system, the Issuer shall use all reasonable endeavours to maintain such listing, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then the Issuer may apply to de-list the relevant Notes, although in this case it will use all reasonable endeavours to obtain and maintain (as soon as reasonably practicable after the relevant de-listing) an alternative equivalent admission to listing, trading and/or quotation by a stock exchange, market or quotation system within or outside the European Union, as it may decide.</p> <p>For the risk factors relating to the Guarantor see item D.2 above.</p>
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AMENDMENTS TO THE SECTION “RISK FACTORS”

The following risk factors:

- “2) Risk relating to the Issuers, the Guarantor and the Mediobanca Group – (C) Risks in connection with the exposure of the Group to Eurozone sovereign debt”;
- “2) Risk relating to the Issuers, the Guarantor and the Mediobanca Group – (T) Risks related to the Issuer’s potential implementation of capital strengthening initiatives in connection with the European Bank Authority (the “EBA”) Capital Requirements”; and
- “2) Risk relating to the Notes - (B) Risk related to the structure of a particular Issue of Notes – (vii) Credit Linked Notes”;

shall replace the following risk factors set out in the Base Prospectus:

- “2) Risk relating to the Issuers, the Guarantor and the Mediobanca Group – (C) Risks in connection with the exposure of the Group to Eurozone sovereign debt” (pages 53-54);
- “2) Risk relating to the Issuers, the Guarantor and the Mediobanca Group – (T) Risks related to the Issuer’s potential implementation of capital strengthening initiatives in connection with the European Bank Authority (the “EBA”) Capital Requirements” (page 64); and
- “2) Risk relating to the Notes - (B) Risk related to the structure of a particular Issue of Notes – (vii) Credit Linked Notes” (pages 78-81).

2) Risk relating to the Issuers, the Guarantor and the Mediobanca Group –

[omissis]

(C) Risks in connection with the exposure of the Group to Eurozone sovereign debt

In carrying out its activities, the Group holds substantial volumes of public-sector bonds, including bonds issued by European countries. The Group’s total exposure in this respect as at 30 June 2014 is set out in the tables A.1.2.a and A.1.2.b of Part E of the audited consolidated annual financial statements of Mediobanca as at and for the year ended 30 June 2014 incorporated by reference into this Base Prospectus. This could give rise to operational disruptions to the Group’s business.

Furthermore, Mediobanca is affected by disruptions and volatility in the global financial markets. In particular, Mediobanca’s credit ratings are potentially exposed to the risk of reductions in the sovereign credit rating of Italy. On the basis of the methodologies used by rating agencies, further downgrades of Italy’s credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as Mediobanca and make it more likely that the credit rating of Notes issued under the Programme are downgraded.

Thus, any negative developments in the Group’s sovereign exposure could adversely affect its results of operations, business and financial condition.

2) Risk relating to the Issuers, the Guarantor and the Mediobanca Group

[omissis]

(T) Risks related to the Issuer’s potential implementation of capital strengthening initiatives in connection with the European Bank Authority (the “EBA”) Capital Requirements

The current Supervisory Regulations and the Basel III Rules include a set of rules for improving quality and quantity of capital as well as new rules for controlling the leverage and the pro cyclical intermediation. The implementing reforms are aimed to empower the capacity of the banking system to absorb shocks resulting from financial and economic tensions, regardless of their cause, reducing the risk of contagion of the financial sector by the real economy. In general, the evaluation of an appropriate bank capitalization could have direct impacts, among other things, on the rating and the cost of funding, and the necessity of any extraordinary transactions with consequent effects on economic and financial situation of each relevant financial institution and on its shareholders.

In May 2013 the EBA agreed on recommendations to supervisors to conduct asset quality reviews on major EU banks in order to dispel concerns over the deterioration of asset quality. Asset quality reviews can address uncertainties in balance sheet valuations, and an asset quality review should be conducted prior to starting the Single Supervisory Mechanism (“SSM”) for banks which will be subject to direct supervision of the ECB in the SSM. In this respect, the set of EBA recommendations and the timeframe for the asset quality reviews and the EU-wide stress test have been published further to the timeline of the SSM’s balance sheet assessment being known.

If the stress tests - also taking into account the results of the asset quality review which could require, upon instructions of the supervisory authority, provisions higher than those envisaged - show that a bank does not meet the capital requirements set out by the EBA, then the supervisory authority could require the adoption of measures aimed at bridging a capital gap indicated by the stress test.

On 26 October 2014 the result of the asset quality reviews and the stress test have been published. Mediobanca has passed the comprehensive assessment exercise in full and no actions are needed on either capital or loan coverage.

(B) Risk related to the structure of a particular Issue of Notes

[omissis]

(vii) Credit Linked Notes

The Issuer may issue Credit Linked Notes, which are securities whose performance is linked to the performance of one or more Reference Entities and the obligations of such Reference Entity/ies. An investment in Credit Linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

Investors should note that Credit Linked Notes differ from ordinary debt securities issued by the Issuer in that the amount of principal and interest payable by the Issuer is dependent on whether a Credit Event has occurred in respect of the relevant Reference Entity/ies. In certain circumstances the Notes will cease to bear interest and the value paid to Noteholders on redemption may be less than their original investment and may in certain circumstances be zero. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of investing in Credit Linked Notes as well as access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation.

Investors in the Notes will be exposed to the credit risk of the Reference Entity. Prospective purchasers of the Notes should conduct their own investigations and, in deciding whether or not to purchase the Notes, should form their own views of the merits of an investment related to the Notes based upon such investigations. In particular, each investor contemplating purchasing any Notes should make its own appraisal of the Reference Entity. If in doubt, potential investors are strongly recommended to consult with their independent legal and financial advisers before making any investment decision. Neither the Issuer nor any other person on their behalf makes any representation or warranty, express or implied, as to the credit quality of the Reference Entity. The Issuer may have acquired, or during the term of the Notes may acquire, confidential information with respect to the Reference Entity and is not required to disclose this information to the Noteholder or any other party.

Holders of Credit Linked Notes will have a contractual relationship only with the Issuer and not with any obligor in respect of any Reference Obligation or any Reference Entity. Consequently, the Credit Linked Notes will not constitute a purchase or other acquisition or assignment of any interest in any Reference Obligation or any Reference Entity. Holders of Credit Linked Notes will have rights solely against the Issuer and will have no recourse against the obligor in respect of any Reference Obligation or any Reference Entity. The Noteholders will not have any rights to acquire from the Issuer (or to require the Issuer) to transfer, assign or otherwise dispose of any interest in any Reference Obligation or any Reference Entity.

The Credit Linked Notes are linked to the creditworthiness of the relevant Reference Entity/ies. The likelihood of a Credit Event occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition and other characteristics of such Reference Entity, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates.

Any quotations used in the calculation of the Cash Settlement Amount may be affected by factors other than the occurrence of the Credit Event. Such prices may vary widely from dealer to dealer and substantially between Valuation Dates. The obligations selected, even absent a Credit Event, may be illiquid and such illiquidity may be expected to be more pronounced following the occurrence of a Credit Event, thereby adversely affecting any determination of the value of such obligation which in turn will impact on the amount by which the Cash Settlement Amount of the Notes may be reduced. The Calculation Agent is entitled to select the obligation which has the lowest value in the market at the relevant time – providing such obligation satisfies certain specifications and limits for qualification as a Reference Obligation – for the purposes of calculating the amount by which the Cash Settlement Amount is reduced following a Credit Event.

Some Reference Obligations may have no, or only a limited, trading market. The liquidity of Reference Obligations will generally fluctuate with, among other things, the underlying liquidity of the loan and bond markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the relevant Reference Entity/ies. The financial markets have experienced periods of volatility and reduced liquidity which may re-occur and reduce the market value of the relevant Reference Obligation(s).

Some or all of the Reference Obligations may also be subject to restrictions on transfer and may be considered illiquid. If a Credit Event occurs in respect of a Reference Entity, any resulting diminution in market value of the related Reference Obligation could be further magnified by reason of such limited liquidity for Reference Obligations generally or that Reference Obligation in particular.

Investors in the Credit Linked Notes will be exposed to the credit risk of the Reference Entity in respect of Credit Events which occur on or after the Credit Observation Date. Such date may precede the Issue Date. Prospective investors should note that while they may, therefore, have exposure to Credit Events occurring prior to the Issue Date, they will not receive interest for any period prior to the Issue Date.

The terms and conditions of Credit Linked Notes do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions (the “2003 Credit Derivatives Definitions”) or the 2014 ISDA Credit Derivatives Definitions (the “2014 Credit Derivatives Definitions” and, together with the 2003 Credit Derivatives Definitions, the “Credit Derivatives Definitions”) and there may be differences between the definitions used with respect to Credit Linked Notes and the Credit Derivatives Definitions. Consequently, investing in the Credit Linked Notes is not exactly equivalent to investing in a credit default swap that incorporates the Credit Derivatives Definitions.

While ISDA has published and supplemented the Credit Derivatives Definitions in order to facilitate transactions and promote uniformity in the credit derivative market, the credit derivative market has evolved over time and is expected to continue to change. Consequently, the Credit Derivatives Definitions and the terms applied to credit derivatives, including credit linked securities, are subject to interpretation and further evolution. Past events have shown that the views of market participants may differ as to how the Credit Derivatives Definitions operate or should operate. As a result of the continued evolution in the market, interpretation of the Credit Linked Notes may differ in the future because of future market standards. Such a result may have a negative impact on the Credit Linked Notes. Future amendments or supplements to the terms applicable to credit derivatives generally will only apply to Credit Linked Notes that have already been issued if the Issuer and the Noteholders agree to amend the Credit Linked Notes to incorporate such amendments or supplements and other conditions to amending the Credit Linked Notes have been met.

Credit Derivatives Determinations Committees were established for the purposes of the Credit Derivatives Definitions to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. In making any determination the Issuer or the Calculation Agent may have regard to decisions made by announcements, determinations and resolutions made by ISDA and/or the ISDA Credit Derivatives Determinations Committees. Such announcements, determinations and resolutions could directly or indirectly affect the redemption and settlement of the Credit Linked Notes (including the quantum and timing of payments and/or deliveries on redemption). For the avoidance of doubt, neither the Issuer nor the Calculation Agent accept any liability to any person for any determinations, redemption, calculations and/or delay or suspension of payments and/or redemption of Credit Linked Notes resulting from or relating to announcements, publications, determinations and resolutions made by ISDA, the DC Secretary and/or any Credit Derivatives Determinations Committee. Further information about the Credit Derivatives Determinations Committee may be found at www.isda.org/credit.

By subscribing for or purchasing Credit Linked Notes, each Noteholder shall be deemed to agree that (i) 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 relevant Credit Derivatives Auction Settlement Terms, as applicable, shall be liable to Noteholders, and (ii) 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 relevant Credit Derivatives Auction Settlement Terms is acting as fiduciary for, or as an advisor to, Noteholders.

If Auction Settlement is applicable in respect of any Credit Linked Note, then the amounts payable by and/or rights and obligations of the parties under such Credit Linked Note in respect of the relevant

Reference Entity/ies or Reference Obligation(s), will (following the occurrence of a Credit Event Determination Date) be determined in accordance with the Auction Final Price(s). The Noteholder takes the risk that where the Auction Final Price is used, this may result in a lower recovery value than a Reference Entity or Reference Obligation would have if such Auction Final Price had not been used. Also, the relevant Issuer may have a conflict of interest to the extent that it, or one of its affiliates, participates in any auction or other process used to determine the Auction Final Price and is under no obligation to consider the interests of Noteholders when so acting.

Please refer to the “*Definitions*” section at the end of the section headed “*General Terms for Credit Linked Notes*” for defined terms used above.

AMENDMENTS TO THE SECTION “BASE TERMS AND CONDITIONS OF THE NOTES”

The following Condition 12 “*Notices*” shall replace Condition 12 “*Notices*” set out in Chapter 2 – General Provisions of the Notes part 1 – Base Terms and Conditions of the Notes on page 154 of the Base Prospectus:

“12 NOTICES

Notices to the holders of Notes will be valid if (i) until such time as any Definitive Notes are issued, the notice is delivered to the relevant Clearing System(s), for communication by them to the holders of Notes; and (ii) if and so long as the Notes are admitted to trading on the Irish Stock Exchange’s regulated market and listed on the Official List of the Irish Stock Exchange, the notice is published in accordance with the rules and regulations of the Irish Stock Exchange (which shall include publication in a leading newspaper having general circulation in Ireland or on the website of the Irish Stock Exchange (*www.ise.ie*) or on the website of the relevant Issuer (*www.mediobanca.it* or *www.mediobancaint.lu*) and the Guarantor (*www.mediobanca.it*). If any such publication is not practicable, notice will be validly given if published in another leading daily English language newspaper of general circulation in Europe.

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice to the holders of Notes in accordance with this Condition.”

AMENDMENTS TO CHAPTER 13 - PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The following paragraph “Notices” shall replace the paragraph “Notices” set out in the section Chapter 13 – Provisions relating to the Notes while in Global Form on page 422 of the Base Prospectus:

“*Notices*: Notwithstanding Condition 12 (*Notices*) of the Senior Notes Conditions and of the Subordinated Notes Conditions, as the case may be, while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary, common depositary or common safekeeper (as the case may be) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 12 (*Notices*) of the Senior Notes Conditions and of the Subordinated Notes Conditions, as the case may be, on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system; *provided, however, that*, so long as the Notes are listed on the Official List of the Irish Stock Exchange and its rules so require, notices will also be published in a leading newspaper having general circulation in Ireland or on the website of the Irish Stock Exchange (www.ise.ie).”

AMENDMENTS TO THE SECTION “DOCUMENTS INCORPORATED BY REFERENCE”

The following section “Document incorporated by reference” shall replace the section “Document incorporated by reference” set out on pages 97-99 of the Base Prospectus:

“The following documents shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus:

- the audited consolidated annual financial statements as at and for the years ended 30 June 2014 and 2013 of Mediobanca;
- the audited non-consolidated annual financial statements as at and for the years ended 30 June 2014 and 2013 of Mediobanca International;
- the English translation of the Mediobanca Registration Document 2014 (published in the Italian language on 17 October 2014 and approved by CONSOB on 16 October 2014, report No. 82076/14);
- the Press Release of Mediobanca dated 26 October 2014 (incorporated by reference in its entirety);
- the Terms and Conditions of the Notes (pages 39 – 61) and the General Terms for the Credit Linked Notes (pages 62 – 106) set out in the Base Prospectus dated 16 December 2009 relating to the Euro 40,000,000,000 Euro Medium Term Note Programme of Mediobanca and Mediobanca International;
- the Terms and Conditions of the Notes (pages 99 – 133), the General Terms for the Credit Linked Notes (pages 134 – 200) and the Additional Terms for Physical Delivery Notes (pages 201 - 206) set out in the Base Prospectus dated 13 January 2011 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International;
- the Terms and Conditions of the Notes (pages 105 – 139), the General Terms for the Credit Linked Notes (pages 140 – 208) and the Additional Terms for Physical Delivery Notes (pages 209 – 214) set out in the Base Prospectus dated 30 November 2011 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International; and
- the Base Terms and Conditions of the Notes (pages 122 – 161), the Specific Terms and Conditions of Notes Linked to a Single Share (pages 199 – 210), the Terms and Conditions of Notes Linked to a Basket of Shares (pages 211 – 222), the Terms and Conditions of Notes Linked to an Index (pages 227 - 235), the Terms and Conditions of Fund Linked Notes (pages 240 - 258), the General Terms for Credit Linked Notes (pages 263 – 330), the Terms and Conditions of Inflation Linked Notes (pages 337 – 351), the Terms and Conditions of Notes Linked to a Single Commodity or Commodity Future (pages 354 – 365), the Terms and Conditions of Notes Linked to a Basket of Commodities or Commodity Futures (pages 366 – 377), the Terms and Conditions of Notes Linked to Debt Instruments (pages 384 – 389), the Terms and Conditions of Notes Linked to Underlying Interest Rate (pages 394 – 398), the Terms and Conditions of Notes Linked to FX Rates (pages 402 – 411) and the General Terms for Physical Delivery Notes (pages 414 – 420) set out in the Base Prospectus dated 18 July 2013 relating to the Structured Note Issuance Programme of Mediobanca and Mediobanca International,

in the case of the above-mentioned financial statements, together with the accompanying notes and (where applicable) auditor's reports, save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in

any document subsequently incorporated by reference by way of supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement. Where only certain sections of a document referred to above are incorporated by reference to this Base Prospectus, the parts of the document which are not incorporated by reference are either not relevant for prospective investors or are covered elsewhere in this Base Prospectus.

The Issuers will provide, without charge to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy (by electronic means, unless such person requests hard copy) of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Request for such documents should be directed to the Issuers at their offices set out at the end of this Base Prospectus. In addition, such documents will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Mediobanca's website at the following link (<http://www.mediobanca.com/en/investor-relations/bilanci/financial-reports.html> with respect to the financial information and <http://raccoltaproprietaria.mediobanca.it/en/documents/index.html> with respect to the remaining documents listed above) and on the Mediobanca International's website (<http://www.mediobanca.com/en/about-us/locations/luxembourg.html>).

The following table shows where some of the information required under Annex XI of Commission Regulation (EC) No. 809/2004, as amended, can be found in the above mentioned documents incorporated by reference. The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) No. 809/2004, as amended.

Cross-reference list in respect of the Mediobanca Registration Document 2014

III	Risk factors	Pages 7 to 12
VII	Future trends	Page 30
VIII	Forecasts or estimates of profits	Page 31

Cross-reference list in respect of the Mediobanca and Mediobanca International financial statements

Mediobanca - Consolidated annual financial statements		
Commission Regulation (EC) No. 809/2004, Annex XI,	2014	2013
Paragraph 11.1		
Balance sheet	Pages 66-67	Pages 80-81
Statement of income	Pages 68-69	Pages 82 - 83
Statement of changes in equity	Pages 70-71	Page 84-85
Cashflow statement	Pages 72-73	Pages 86 - 87
Accounting policies and explanatory notes	Pages 78-243	Pages 92-242
Auditors' reports	Pages 62-63 [Pages 54-56 pdf document]	Pages 64-65

Mediobanca International - Non-

Consolidated annual financial statements		
Commission Regulation (EC) No. 809/2004, Annex XI,	2014	2013
Paragraph 11.1		
Statement of financial position	Page 24	Page 22
Statement of comprehensive income	Page 25	Page 23
Cashflow statement	Page 28	Page 26
Statement of changes in equity	Pages 26-27	Pages 24-25
Accounting policies and explanatory notes	Pages 33-155	Pages 30-147
Auditor's reports	Pages 20-21	Pages 19-20

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AMENDMENTS TO THE SECTION “GENERAL DESCRIPTION OF THE STRUCTURED NOTE ISSUANCE PROGRAMME”

The following paragraph “Credit Linked Notes” set out in the section “General Description of the Structured Note Issuance Programme” shall replace the paragraph “Credit Linked Notes” set out in the section “General Description of the Structured Note Issuance Programme” on page 111 of the Base Prospectus:

“Credit Linked Notes:

Payments of principal and/or interest (if any) in respect of Credit Linked Notes, which may be issued by any Issuer, will depend on whether or not a specified “Credit Event” occurs in respect of one or more specified “Reference Entities” and/or the obligations of any of such Reference Entities. Following the occurrence of a Credit Event, Credit Linked Notes may either be cash settled or physically settled by delivery of bonds or other qualifying obligations of the defaulted Reference Entity, as indicated in the relevant Final Terms.

Drawdowns of this product include: Single Name Credit Linked Notes (where Noteholders take the credit risk of a single named Reference Entity), Linear Basket Credit Linked Notes (where Noteholders take the credit risk in respect of two or more Reference Entities in a basket of Reference Entities and where the Notes will redeem in part if a Credit Event occurs in respect of any Reference Entity in the basket), First-to-Default Credit Linked Notes (where Noteholders take the credit risk of the first to default among a basket of Reference Entities) and Nth-to-Default Credit Linked Notes (where Noteholders take the credit risk of the Nth to default among a basket of Reference Entities). See “General Terms for Credit Linked Notes” in Chapter 6 of this Base Prospectus for the terms and conditions applicable to Credit Linked Notes issued under the Programme.”

AMENDMENTS TO THE SECTION “GENERAL FORM OF FINAL TERMS FOR NOTES”

The section “Part 2 - General Form of Final Terms for Notes” set out in Schedule 1 of this Supplement shall replace the section “Part 2 - General Form of Final Terms” set out in “Part 2 - General Form of Final Terms” of Chapter 2 “General Provisions of the Notes” on pages 158-231 of the Base Prospectus.

AMENDMENTS TO CHAPTER 6 “CREDIT LINKED NOTES”

The section “Chapter 6 – Credit Linked Notes” set out in Schedule 2 of this Supplement shall replace the section “Chapter 6 – Credit Linked Notes” set out on pages 284-350 of the Base Prospectus.

AMENDMENTS TO THE SECTION “INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.p.A.”

The following section “Information on Mediobanca – Banca di credito Finanziario S.p.A.” shall replace the section “Mediobanca – Banca di credito Finanziario S.p.A.” set out in Chapter 13 on pages 424-439 of the Base Prospectus:

“INFORMATION ON MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A.

This section of the Base Prospectus reflects the contents of certain paragraphs of the registration document published in Italian language by Mediobanca on 17 October 2014 and approved by CONSOB pursuant to CONSOB Regulation No. 11971 of 14 May 1999 (as amended) on 16 October 2014, report No. 82076/14 (the “Mediobanca Registration Document 2014”), of which the relevant English translation is incorporated by reference to this Base Prospectus. Other information included in the Mediobanca Registration Document 2014 not incorporated in this section of the Base Prospectus are covered elsewhere in this Base Prospectus, such as under section headed “Risk Factors” or under section headed “Financial Information of Mediobanca – Banca di Credito Finanziario S.p.A.”

Sections III (Risk factors), VII (Future trends) and VIII (Forecasts or estimates of profits) of the Mediobanca Registration Document 2014 are deemed to be incorporated in, and to form part of, this Base Prospectus as more fully described in the section of this Base Prospectus headed “Documents Incorporated By Reference”. All other Sections of the Mediobanca Registration Document 2014 are considered as additional information. The Mediobanca Registration Document 2014 contains information inter alia regarding Mediobanca, its business, administration and management, and shareholders.

History and development of Mediobanca

Legal status and information

Mediobanca – Banca di Credito Finanziario S.p.A. was set up on 10 April 1946 by virtue of a notarial deed drawn up by Notary public Arturo Lovato, file no. 3041/52378. Mediobanca is a joint stock company incorporated under Italian law registered in the Milan Companies’ Register under Registration no. 00714490158 having its registered office and administrative headquarters in Piazzetta Enrico Cuccia 1, 20121 Milan, Italy, tel. no.: (0039) 02-88291. Mediobanca operates under Italian law, and the court of Milan has jurisdiction over any disputes arising against it.

Important events in Mediobanca’s recent history

Since 30 June 2014 there have been no negative changes either to the financial position or prospects of either Mediobanca or the Group headed up by it.

Neither Mediobanca nor any company in the Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect, Mediobanca’s ability to meet its obligations towards third parties.

As at 18 December 2014 S&P rated Mediobanca A-3 (short-term debt), BBB- (long-term debt) and stable (outlook) – see www.mediobanca.it/it/investor-relations/rating.html.

For an explanation of the rating given by S&P please see below the S&P rating scale:

<p style="text-align: center;">LONG TERM</p> <p>obligations with an original maturity of more than one year</p>	<p style="text-align: center;">SHORT TERM</p> <p>obligations with an original maturity of no more than one year</p>
<p style="text-align: center;">Investment grade</p> <p>AAA</p> <p>The obligor's capacity to meet its financial commitment on the obligation is extremely strong.</p> <p>AA</p> <p>The obligor's capacity to meet its financial commitment on the obligation is very strong. An obligation rated 'AA' differs from the highest-rated obligations only to a small degree.</p> <p>A</p> <p>The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.</p> <p>BBB</p> <p>The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p>	<p style="text-align: center;">Investment grade</p> <p>A-1</p> <p>The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.</p> <p>A-2</p> <p>The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.</p> <p>A-3</p> <p>The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p>

(Source: Standard & Poor's)

<p align="center">LONG TERM obligations with an original maturity of more than one year</p>	<p align="center">SHORT TERM obligations with an original maturity of less than one year</p>
<p align="center">Speculative grade</p> <p>BB</p> <p>The obligation is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p> <p>B</p> <p>The obligation is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.</p> <p>CCC</p> <p>The obligation is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.</p> <p>CC</p> <p>The obligation is currently highly vulnerable to nonpayment.</p> <p>C</p> <p>A 'C' rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default.</p> <p>D</p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period.</p>	<p align="center">Speculative grade</p> <p>B</p> <p>The obligation is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p> <p>B -1</p> <p>The obligation is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>B -2</p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has an average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>B -3</p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>C</p> <p>The obligation is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.</p> <p>D</p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period</p>

NB: ratings from "AA" to "CCC" inclusive can be modified by adding the "+" or "-" minus sign to specify the position.

Standard & Poor’s Credit Market Services Italy S.r.l. (“**S&P**”) is a credit rating agency which is established in the European Community and has been registered in accordance with Regulation (EC) No 1060/2009 (as amended by Regulation 513/2011/EU and by Regulation 462/2013/EU) (the “**CRA**”). As such S&P is included in the latest list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA – see [www.esma.europa.eu/page/List-registered-and-certified -CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs).

Business Overview

Principal activities

The Group’s principal activities are currently segmented into three banking divisions and one Corporate Center: the “Corporate & Private banking” (CPB), which includes wholesale banking and private banking (Compagnie Monégasque de Banque and Banca Esperia); “Principal Investing” (PI), which brings together all the Group’s shares related investments (IAS 28) available for sale (AFS); “Retail & Consumer Banking” (RCB), consisting of consumer credit activities (Compass) and retail banking, (CheBanca!); the “Corporate Center” (CC) where all the other companies (including leasing) and some of the costs of the central functions of the Gruppo flow in.

Mediobanca is a banking group operating in “Corporate & Private” banking (CPB), which includes wholesale banking and private banking, in the “Principal Investing” (PI), which brings together the Group’s long-term shares investments, merchant banking and private equity, in the “Retail & Consumer” banking (RCB), which includes consumer credit and retail banking and a “Corporate Center” (CC) where all the other companies flow in (including leasing) and some costs of the central functions of the Gruppo. Mediobanca has a market capitalization of approx. €6.1bn.

*Consolidated financial information as at 30/06/14**

€m	CPB	PI	RCB	CC	Total
Profit and loss account					
Net interest income	273.0	-	769.9	46.6	1,086.9
Total income	599.7	288.3	934.0	52.9	1,819.4
Profit before tax	28.1	492.7	19.7	-34.2	501.0
Net profit	17.2	449.3	23.3	-21.8	464.8

*Source: Mediobanca audited consolidated annual financial statement as at and for the year ended on 30 June 2014

Wholesale Banking

Mediobanca seeks to provide its corporate clients with the advisory services and financial services to help them grow and develop.

The wholesale banking division comprises three different units: *Corporate finance, Lending and Structure Finance, Capital Markets*.

Corporate finance

Mediobanca is the leader in Italy and has an increasingly significant role in financial advisory services at the European level through its branches in Paris, Frankfurt, London, Madrid and Istanbul. A client-based approach is adopted, backed by in depth knowledge of the financial issues and a consolidated track record in executing deals. The operating unit is organized into different industry teams covering individual industries in order to provide greater focus.

Corporate finance involves the following activities:

- defining strategic objectives for companies and identifying extraordinary financing transactions in order to help meet them;
- extraordinary financing transactions: mergers and acquisitions, joint ventures and partnerships, disposals and spinoffs;
- liability restructuring: earnings/financial analysis of companies/groups undergoing restructuring; working out financial rebalancing scenarios; negotiating with key creditors;
- corporate restructuring: LBOs, MBOs, spinoffs and tax-/inheritance-related issues;
- company valuations, on a standalone basis and for purposes of setting exchange ratios;
- relations with authorities: assistance in handling relations with market and regulatory authorities, principally CONSOB and Borsa Italiana.

Lending and structured finance

The Financing teams serve Mediobanca's Italian and international customers, through the branch offices located in Paris, Frankfurt, London, Madrid and Istanbul to offer:

- advice in evaluating possible capital structures and financing solutions available from among a vast series of debt products, including considering possible implications in terms of rating;
- structuring and executing lending transactions;
- access to the international syndicated loans market;
- facility and security agent services for corporate and structured lending transactions.

The main products of the Lending and structured finance team are:

- **corporate lending:** (bilateral loans, club deals and syndicated loans): corporate loans aimed at supporting customers' financial requirements generated by investments or related to their companies' growth; the financial solutions offered are aimed primarily at medium-/large-sized firms operating on domestic and international markets, in industrial and service-based sectors;
- **leveraged finance:** (acquisition finance, loans for LBO/MBOs): financial support to corporate counterparties and institutional investors as part of leveraged transactions to acquire stakes in listed and unlisted companies; a wide range of lending transactions are developed, arranged, structured, underwritten and executed based on complex structures, and because of their size these are often syndicated on the international market;

- **structured finance:** (project finance, infrastructure finance, real estate finance): on the back of its solid track record in various sectors, customers are provided with advisory services covering the entire process of structuring deals to support investment and infrastructure or industrial projects, including offering strategies, selection of the most effective debt instruments, hedging strategies, financial modelling and structuring contracts; and
- **export finance:** (export credit, trade finance, untied loans, pre-export finance and Islamic finance): financial support provided to exporters of merchandise and services destined for counterparties located in emerging markets, including with the support of government organizations guaranteeing insurance coverage and/or subsidized interest rates (SIMEST, SACE or other European export credit agencies); such loans, which are often syndicated, are structured in conjunction with the provision of advisory services regarding negotiations with commercial counterparties and financial and/or supranational institutions.

Capital Markets

Mediobanca operates on both the primary and secondary markets, trading equities and fixed-income securities, foreign exchange products and credit risk, interest rate and exchange rate derivatives.

In the equity market (primary and secondary), activity is divided into the following areas:

- **equity capital markets:** it is the Italian leader and has a role of increasing importance internationally in structuring, co-ordinating and executing equity capital markets transactions, such as IPOs, rights issues, secondary offerings and ABOs, and bonds convertible into equity solutions (equity derivatives to manage investments and treasury shares): this unit structures and implements extraordinary financing transactions involving equity investments and treasury shares; using a dedicated trading platform, the team offers customers innovative, high value-added solutions, and also handles any legal, accounting, tax and regulatory issues;
- **equity finance (securities lending, equity repos, collateralized financing):** the unit offers tailored securities lending solutions, which range from simple loans to hedge short-/medium-term positions, to equity repos, to upgrades and collateralized financing;
- **equity derivatives institutional marketing:** a range of equity-linked investments are offered to banks, insurances, asset managers and family offices, from synthetic replications of simple underlying assets to sophisticated protection mechanisms and solutions for increasing the return on portfolios, funded or unfunded;
- **MB Securities:** this is Mediobanca's equity brokerage division, offering global access to equity markets and research on the Italian market (over 100 companies are covered), plus a pan-European focus on the financials sector (banks and insurances); a dedicated team also offers corporate broking services.

In relation to the debt market, the activity is divided into the following areas of operation:

- **debt capital markets:** this team originates, structures, executes and places corporate and financial bond issues, covered bonds and securitizations to meet its customers' financing needs.
- **CRAL solutions:** this area structures solutions based on interest rates, credit and alternative products; it targets corporate clients, banks and institutional investors who need to restructure their investment

portfolios, increase asset liquidity and diversify their sources of funding. An activity of advisory and structuring of *ad hoc* solutions on alternative investments focusing on institutional investors.

- proprietary funding: this team is responsible for structuring, issuing and placing debt products, the revenues from which finance the Bank's own activities. Fund raising, supported by the Bank's high credit rating, takes place primarily through the issuance of securities, both plain vanilla and structured. Securities are placed with retail investors through public offers (executed using the proprietary networks of CheBanca!, through individual third banks – including that of BancoPosta – either on an exclusive basis or via groups of banks in syndicates) and direct sales are made over the screen-based bond market (MOT) operated by Borsa Italiana. Demand from institutional investors is met via public offers of securities on the Euromarket and private placements of products customized to meet the subscribers' specific needs.

Private banking

The range of services offered to clients by the Mediobanca Group includes private banking, via Banca Esperia and Compagnie Monégasque de Banque.

- Banca Esperia was set up in July 2000 as a joint venture between the Mediobanca and Mediolanum groups with the aim of becoming the private banker of choice for high net worth clients, offering them portfolio management, advisory and financing services. Independence, operational autonomy, focus on private banking activities, and excellence and quality of service, are the hallmarks of a bank which has approximately €15bn in assets under management at its branches in Bergamo, Bologna, Brescia, Florence, Genoa, Milan, Padua, Parma, Rome and Turin.
- Compagnie Monégasque de Banque (“CMB”) is 100%-owned by Mediobanca. CMB is market leader in the Principality of Monaco, with total deposits of approx. €7bn. Its geographical position, in-depth knowledge of markets and the absolute discretion make it a player of primary importance, able to provide exclusive services to its client, ranging from loans to asset management.

Principal Investing

Mediobanca takes minority stakes in leading Italian and international companies, most of which are listed, and which are generally leaders in their respective spheres of activity, with a view to contributing, including through representation on investee companies' governing bodies, to value creation over a medium- and long-term time horizon. Mediobanca offers its investee companies, on an arm's length basis, the entire range of Group services (lending, corporate finance, capital markets, etc.). In view of the size of the investments and the role played by Mediobanca in the governance of the companies concerned, the shareholdings in Generali, RCS MediaGroup and Telco are part of the main shareholdings of the Principal investing division.

Company	Sector	% of share capital	Book value at 30/6/14 €m
Assicurazioni Generali	Insurance	13.24%	2.767
RCS Mediagroup	Publishing - media	6.2%	40
Telco	Telephony	7.34%	135

Consumer credit – Compass

Mediobanca has operated in the consumer credit sector since the 1960s through its subsidiary Compass.

Compass today is one of the leading consumer credit operators on the Italian market, with a market share of 11.8%.

Compass offers a wide range of products (personal loans, special purpose loans for acquisition of consumer durable goods, credit cards and salary-backed finance), using a highly diversified distribution network consisting of 158 own branches, distributing agreements with banking partners and retailers, and BancoPosta.

As at the balance-sheet date it had approx. €9.9bn in loans outstanding, plus a total of 1,479 staff on the books.

Retail Banking - CheBanca!

Mediobanca commenced retail banking operations in 2008 via Group company CheBanca!, which has now achieved a distinctive position on the market, with:

- high brand recognition;
- effective, innovative multi-channel distribution (internet, 57 own branches, direct banking);
- simple, transparent products;
- substantial customer base (over 520,000 customers);
- strong commercial results: €13bn in deposits, €4.4bn in mortgages disbursed, over 730,000 products sold.

The company employs a total of 886 staff.

Leasing

Mediobanca owns a direct 60% stake in the SelmaBipiemme Leasing group, with the other 40% held by the Banca Popolare di Milano. The group operates in financial leasing, carried out directly through SelmaBipiemme Leasing and Palladio Leasing (100%-owned subsidiaries), the latter of which operates exclusively in north-eastern Italy.

The SelmaBipiemme Leasing group is among the top-ten ranking operators in this sector, with a market share of over 4%.

The group has a series of commercial agreements with banking networks, such as those of Banca Popolare di Milano and Banca Popolare di Vicenza (with a combined approx. 1,000 branches).

In the twelve months to 30 June 2014 the group disbursed approx. €380m in leases.

As at 30 June 2014, the net value of finance disbursed by the group amounted to some €3bn, with a headcount numbering 145 staff employed at the head office and 8 branch offices.

Brief description of the Mediobanca's principal activities, with an indication of the main categories of products sold and/or services provided

As stated in Article 3 of Mediobanca's Articles of Association, Mediobanca's purpose is to raise funds and provide credit in any of the forms permitted, especially medium- and long-term credit to corporates.

Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's purpose.

There are no significant new products and/or services that have been introduced and no development of new products and services has been disclosed.

Principal markets

The Group's areas of operation are currently segmented into three banking divisions and a corporate centre:

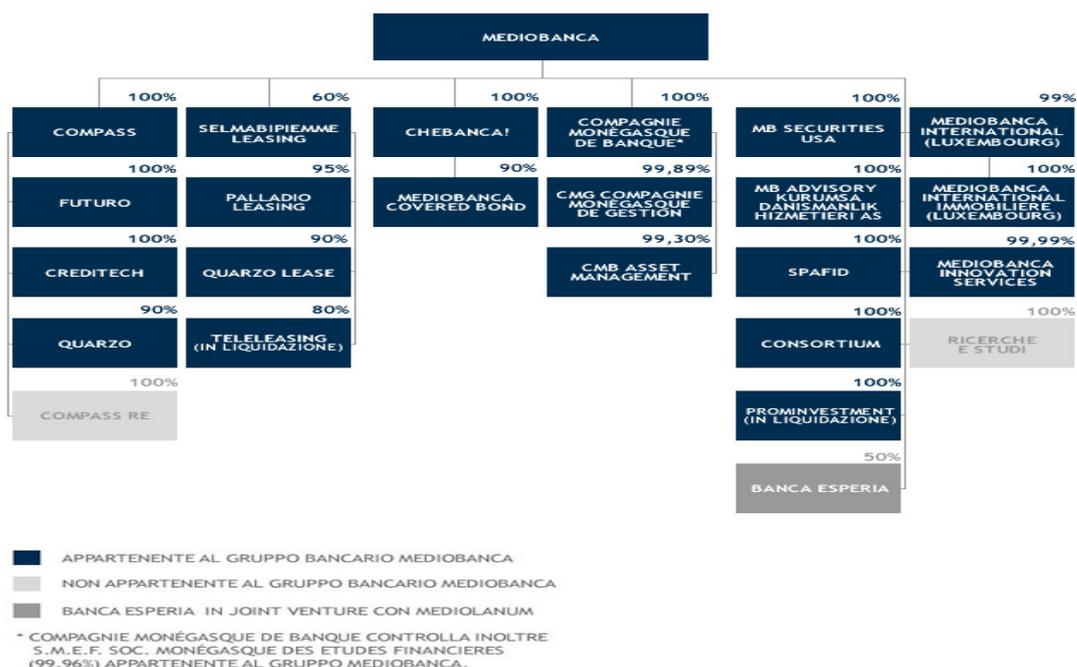
- 1) Corporate & Private Banking (CPB), which brings together private banking (including CMB's Monaco-based business) and wholesale banking activities: the latter have undergone considerable geographical expansion in their scope with a view to diversifying the Mediobanca's customer base and to meeting our customers' needs more effectively; the Paris branch was opened in 2004, followed by the Frankfurt and Madrid branches in 2007, the London branch in 2008, and Istanbul in 2013. As at end-June 2014, international activities accounted for just under 50% of the wholesale banking division's revenues.
- 2) Principal Investing (PI), which brings together the Group's shareholdings in Assicurazioni Generali, RCS MediaGroup and Telco, plus stakes acquired as part of merchant banking activity and investments in private equity funds;
- 3) Retail & Consumer Banking (RCB), consisting of consumer credit activities and CheBanca! (retail banking); retail activities are performed entirely on the domestic market;
- 4) Corporate Centre (CC), which comprises the other Group companies, including the leasing firms whose operations are carried out entirely on the domestic market.

Organizational Structure

Description of organizational structure of group headed up by Mediobanca

The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.

The following diagram illustrates the structure of the Mediobanca Group as at the date hereof.



Subsidiaries and main investee companies

Mediobanca is parent company of the Mediobanca Banking Group. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Consolidated Finance Act.

A list of the main Group companies included in the area of consolidation for the financial statements is shown below:

Group companies			
COMPASS S.p.A.	Italy	100%	(dir)
CHEBANCA! S.p.A.	Italy	100%	(dir)
SELMABIPIEMME LEASING S.p.A.	Italy	60%	(indir)
PALLADIO LEASING S.p.A.	Italy	100% ²	(indir)
TELELEASING S.p.A. (in liquidation)	Italy	80%	(indir)
Compagnie Monegasque de Banque S.A.M.	Principality of Monaco	100%	(dir)
MEOBANCA INTERNATIONAL (Luxembourg) S.A.	Luxembourg	99%	(dir)
SPAFID S.p.A.	Italy	100%	(dir)
MEOBANCA SECURITIES USA LLC	Stati Uniti	100%	(dir)
COFACTOR S.p.A.	Italy	100%	(indir)
CREDITECH S.p.A.	Italy	100%	(indir)
RICERCHE E STUDI S.p.A.	Italy	100%	(dir)

² Of which 5% Palladio Leasing treasury shares.

Mediobanca Innovation Services S.c.p.A	Italy	99.995%	(dir)
FUTURO S.p.A.	Italy	100%	(indir)
PROMINVESTMENT S.p.A. in liquidation	Italy	100%	(dir)
CONSORTIUM S.r.l.	Italy	100%	(dir)
QUARZO S.r.l.	Italy	90%	(indir)
MB COVERED BOND S.r.l.	Italy	90%	(indir)
QUARZO LEASE S.r.l.	Italy	90%	(indir)
C.M.B. ASSET MANAGEMENT S.A.M.	Principality of Monaco	99.50%	(indir)
C.M.G. COMP. MONEG. D.G. S.A.M.	Principality of Monaco	99.89%	(indir)
S.M.E.F. SOC. MONEG. DE ET.FIN. S.A.M.	Principality of Monaco	99.96%	(indir)
JUMP S.r.l.	Italy	—	—
COMPASS RE S.A.	Luxembourg	100%	(indir)
MB ADVISORY KURUMSAL DANISMANLIK HIZMETLERI A.S.	Turkey	100%	(dir)
MEDIOBANCA SICAV	Luxembourg	100%	(dir)
MEDIOBANCA INTERNATIONAL IMMOBILIERE S.à r.l.	Luxembourg	100%	(indir)

In view of the size of the investment and the role played by the Bank in the companies' governance, as at 30 June 2014 the values reflected by the investments in Assicurazioni Generali, RCS MediaGroup and Telco were as follows:

Company	Sector	% of share capital	Book value as at 30/6/14 €m
Assicurazioni Generali	Insurance	13.24%	2,767
RCS MediaGroup	Publishing/ media	6.2%	40
Telco	Telephony	7.34%	135

Forecasts or estimates of profits

No substantial adverse changes have taken place in Mediobanca's or the Group's prospects since 30 June 2014.

Mediobanca is not aware of any information on trends, uncertainties, requests, commitments or facts known which could reasonably have a significant impact on Mediobanca's prospects for the current financial year.

Bodies Responsible for governance, management and supervision of Mediobanca

The Board of Directors appointed on 28 October 2014 for the 2015, 2016 and 2017 financial years consists of eighteen members, ten of whom qualified as independent under Article 148, paragraph 3 of Italian

Legislative Decree 58/98, and among them seven qualified as independent under the Code of Conduct in respect of listed companies.

Board of Directors

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Renato Pagliaro *	Chairman ***	Milan, 20/2/57	30/6/17	-
Maurizia Angelo Comнено*	Deputy Chairman	Rome, 18/6/48	30/6/17	-
Marco Tronchetti Provera	Deputy Chairman	Milan, 18/1/48	30/6/17	Chairman and CEO, Pirelli & C. Chairman, Pirelli Tyre Director Eurostazioni
Alberto Nagel*	CEO ***	Milan, 7/6/65	30/6/17	-
Francesco Saverio Vinci *	General Manager ***	Milan, 10/11/62	30/6/17	Director, Banca Esperia Director, Perseo
Tarak Ben Ammar	Director	Tunis, 12/6/49	30/6/17	Chairman, Eagle Pictures Chief Executive Officer (CEO), Quinta Communications Chairman and Director, Prima Tv Chairman, Carthago Film Chief Executive Officer (CEO) Andromeda Tunisie S.A. Director, Telecom Italia
Gilberto Benetton	Director	Treviso, 19/6/41	30/6/17	Chairman, Edizione Chairman, Autogrill Director, Sintonia Director, Atlantia
Angelo Casò *	Director	Milan, 11/8/40	30/6/17	Chairman, Statutory Audit Committee, Benetton Group Chairman, Fineldo Director, Tre Laghi Chairman, Statutory Audit Committee, Edizione Chairman, Statutory Audit Committee, Bracco Chairman, Statutory Audit Committee, Bracco Imaging Chairman, Statutory Audit Committee, Bic Italia Chairman, Statutory Audit Committee, Falck Standing Auditor, Italmobiliare Standing Auditor, Italmobiliare Standing Auditor, Padis Investimenti Standing Auditor, Sidis Investimenti

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Gian Luca Sichel*	Director	19/6/68	30/6/17	CEO, CheBanca! CEO Compass SpA
Alexandra Young*	Director	Barnstaple 14/2/68	30/6/17	-
Alessandro Decio	Director	Milan, 10/1/66	30/6/17	Member of Supervisory Board, Bank Pekao Member of Supervisory Board Unicredit Bank Austria Member of Supervisory Board, Zao Unicredit Bank
Marie Bollorè	Director	8/5/88	30/6/17	-
Maurizio Carfagna	Director	Milan, 13/11/47	30/6/17	Director, Banca Esperia Spa
Maurizio Costa	Director	Pavia, 1948	30/6/17	-
Vanessa Labérenne*	Director	Paris 08/01/78	30/6/17	-
Alberto Pecci	Director	Pistoia 18/09/43	30/6/17	Chairman, E. Pecci & C. Chairman, Pecci Filati Chairman and Director, Pontoglio Director El.En. Chairman, Tosco -Fin
Mauro Bini	Director	-	30/6/17	-
Elisabetta Magistretti	Director	Busto Arsizio, 21/7/47	30/6/17	Director, Pirelli & C.

* *Member of Executive Committee.*

*** *Member of Mediobanca senior management*

All Board members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence (in the latter case applicable only to the independent directors).

The address for all members of the Board of Directors for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Statutory Audit Committee

Composition of Statutory Audit Committee:

Post	Nem	Place and date of birth	Term expires	Principal outside activities
Chairman	Natale Freddi	Rho, 6/6/52	FY 30/6/17	None
Standing auditor	Gabriele Villa	Milan, 18/6/64	FY 30/6/17	Standing Auditor, Salini- Impregilo

Post	Nem	Place and date of birth	Term expires	Principal outside activities
Standing auditor	Laura Gualtieri	-	FY 30/6/17	-
Alternate auditor	Alessandro Trotter	-	FY 30/6/17	-
Alternate auditor	Barbara Negri	-	FY 30/6/17	-

All Statutory Audit Committee members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence; and are all registered as auditors.

The address for all members of the Statutory Audit Committee for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

General Manager and senior management

Renato Pagliaro Chairman, Alberto Nagel Chief Executive Officer, Francesco Saverio Vinci General Manager, Massimo Bertolini, Head of Company Financial Reporting and Alexandra Young Head of Human Resources.

The address for the General Manager and the senior management for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Conflicts of interest among bodies responsible for governance, management and supervision

At an annual general meeting held on 28 October 2011, the shareholders of Mediobanca authorized the directors with posts in banking enterprises to take office, as required by Article 2390 of the Italian Civil Code. Meanwhile, a ban was instituted pursuant Article 36 of Italian Decree Law 201/11, as converted into Italian Law 214/11, on representatives of banks, insurers and financial companies from holding positions in companies which operate in the same sectors. Each year the Board of Directors assess the positions of the individual directors, which may have changed as a result of changes in the activities or size of the other companies in which they hold posts. To this end, each director, in order to also avoid potential conflict of interest, shall inform the Board of any changes in the positions assumed by them in the course of their term of office.

Mediobanca also adopts the procedure recommended under Article 136 of the Italian Consolidated Banking Act for approval of transactions involving individuals who perform duties of management and control in other companies where these are Directors or Statutory Auditors.

Transactions with “related parties” are described in part H of the financial statements for the twelve months ended 30 June 2014.

Share capital

Amount of share capital issued

As at 30 June 2014, Mediobanca’s share capital, fully subscribed and paid up, totalled € 430,703,356.00 made up of 861,406,712 par value €0.50 shares.

Main Shareholders

Information on ownership structure

Individuals or entities who based on the shareholders' register and available information as at 30 June 2014 own directly or indirectly financial instruments representing share capital with voting rights in excess of 2% of the company's share capital, directly or indirectly, are listed below:

	Shareholder	% of share capitale
1	UniCredit S.p.A.	8.76
2	Bolloré group	6.46
3	Groupama group	4.93
4	Mediolanum group	3.50
5	Fondaz. Ca.Ris.Bo	2.95
6	Benetton group	2.16
7	Fininvest group	2.06

Mediobanca shareholders representing, as at 30 June 2014, 30.05% of the Bank's share capital entered into a shareholders' agreement in respect of Mediobanca's share capital expiring on 31 December 2015.

The Agreement, which is filed with the Milan companies' register, is a block shareholders' agreement aimed at preserving a stable shareholder base combined with representative governing bodies to ensure consistent management objectives. In order to achieve these objectives, these shareholders, divided into three groups, concur in seeing the traditional system of corporate governance which leverages on the management and provides greater clarity in the roles of the various governing bodies within the company, as fundamental to safeguarding the characteristics, function and traditional independence of Mediobanca and to ensuring that consistent management objectives are pursued.

An excerpt from the Agreement may be found on the Issuer's website at www.mediobanca.it.

Agreements the performance of which may result in a change of control subsequent to the date hereof

Mediobanca is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca.

Auditors of the Financial Statements

External auditors and auditors responsible for auditing the financial statements

At an annual general meeting held on 27 October 2012, the shareholders of Mediobanca appointed PricewaterhouseCoopers S.p.A. to audit the Bank's individual and consolidated full-year and interim financial statements, to perform other activities provided for under Article 155 of Italian Legislative Decree 58/98, and to sign off the "Unico" and "770" tax declarations, up to and including the financial year ending 30 June 2021.

PricewaterhouseCoopers S.p.A. a company with its registered offices in via Monte Rosa 91, Milan, Italy, has audited the individual and consolidated financial statements of Mediobanca as at 30 June 2014 and as at 30 June 2013. PricewaterhouseCoopers S.p.A is registered under No. 119644 in the Register of Accounting Auditors (*Registro dei Revisori Contabili*).

External supervisory bodies other than the external auditors

There are no external supervisory bodies other than the external auditors.

Information regarding resignations, dismissals or failures to renew the appointment of the external auditors or the auditors responsible for auditing the financial statements

No resignations, dismissals or failures to renew the appointment of the external auditors have occurred during the period under review.

Legal and arbitration proceedings

As at the date of the Base Prospectus, none of Mediobanca and its consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings relating to claims or amounts of money which may have, or have had in the recent past, significant effects on the Group's financial position or profitability, and as far as Mediobanca is aware, no such governmental, legal or arbitration proceedings has either been announced or is pending. A description of the main tax disputes and litigation pending is provided below, purely for information purposes:

Tax disputes

As at 30 June 2014 the Mediobanca Group had a total of 29 cases pending, in respect of higher tax worth a notified amount of €72.6m, plus interest and fines.

All the cases involve disputes with the Italian tax revenue authority and regard:

- sixteen claims in respect of allegedly non-existent leasing transactions, involving higher tax worth a notified amount of €35.7m (€31.8m by way of VAT and €3.8m IRES/IRAP); €24.2m of this amount involves leases on yachts, while the remainder involves real estate and brands;
- one claim regarding the deductibility of the losses arising on the non-recourse disposal of receivables by Compass in the 2007/08 financial year, involving higher tax worth a notified amount of €30.5m. The same claim in respect of the 2006/07 financial year, originally involving a notified amount of €24.5m, ended with the ruling in Compass's favour which then became definitive;
- four claims in respect of the application of withholding and registration tax upon the disbursement of loans to Italian companies by Mediobanca, involving higher tax worth a notified amount of €4.2m;
- eight claims in respect of other items, involving higher tax worth a notified amount of €2.1m.

The companies concerned have appealed against all the above rulings in the conviction that their actions were correct (cf. the ruling in the Compass dispute going in its favour). For this reason no amounts have been set aside to the provision for risks and charges, including in view of how the legal process is progressing, and the indemnity clauses contained in the agreements with the customers regarding the withholding and registration taxes.

Against all cases of tax litigation outstanding as at 30 June 2014, a provision of €2.5m has been booked to the accounts, as an asset, in respect of SelmaBipiemme, representing the total amount paid by way of provisional collection.

Litigation pending

The most significant case involves the claims against Mediobanca relating to the Bank's alleged failure, jointly with other parties, to launch a full takeover bid for La Fondiaria in 2002. Sixteen claims have so far been made, twelve of which are still pending, with four having been settled during the year under review (three of which out of court, with the fourth having become statute-barred). The aggregate amount involved in the twelve claims still pending against the parties is approx. €108.3m, plus interest and expenses;

Mediobanca's share in this would be approx. €37m (plus interest and expenses). The present status of the trials in respect of these claims is as follows:

- the court of cassation has ruled against Mediobanca on three claims, which have now reverted to the Milan court of appeals for the rulings to be prosecuted;
- five claims, in which the court of appeals has ruled in favour of Mediobanca, are pending at the court of cassation;
- one claim, in which the ruling went against Mediobanca, is pending before the court of appeals in Milan;
- three claims have recently been lodged with the court of Milan;

The other main claims that have been made against Mediobanca are as follows:

- one claim pending with the court of Milan for damages totalling €134.4m in connection with the Burani group bankruptcies for Mediobanca's alleged role as advisor on the takeover bid concerned. Mediobanca has appeared in court and has pleaded not guilty, on the grounds that its activity as advisor consisted exclusively of preparing one analysis (defined as "Discussion material") on behalf of Burani Designer Holding NV, regarding the principal impact of the takeover bid in financial terms;
- one claim filed with the court of Siena for damages in an amount of €286m by the Fondazione Monte dei Paschi di Siena, for an alleged non-contractual liability, jointly with the other lender banks, in connection with the execution of a loan granted in June 2011;
- requests for reimbursement of damages (with no claims actually filed) following the loss of value of shares in Fondiaria-SAI, Milano Assicurazioni, Unipol and Premafin after the rescue operations and reorganizations in which the companies were involved in 2011-12.

There is no other significant litigation pending within the Group.

A "provision for risks and liabilities" has been made in the balance sheet as at 30 June 2014 in an amount of €150m to cover, inter alia, risks not necessarily linked to the failure to meet obligations or repay loans which could lead to charges in the future.

Significant changes in the Issuer's financial position

There have been no significant changes to financial or commercial position of Mediobanca or the other companies forming part of the Group since the most recent financial information available was disclosed in the consolidated financial statements as at 30 June 2014.

Material Agreements

Neither Mediobanca nor any of the companies controlled by Mediobanca has entered into or participates in agreements outside of their normal course of business which could result an obligation or entitlement for Group members that would impact significantly on the Issuer's ability to meet its obligations in respect of the holders of financial instruments issued or to be issued."

AMENDMENTS TO THE SECTION “FINANCIAL INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.p.A.”

The following section “Financial Information on Mediobanca – Banca di Credito Finanziario S.p.A.” shall replace the section “Financial Information on Mediobanca – Banca di Credito Finanziario S.p.A.” set out in Chapter 13 on page 440 of the Base Prospectus:

“FINANCIAL INFORMATION OF MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.

The consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2014 and 2013 were prepared in accordance with IFRS as adopted by the European Union.

All of the above consolidated annual financial statements, prepared in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See “Documents Incorporated by Reference”.

The annual consolidated financial statement as at 30 June 2014 and as at 30 June 2013 have been audited by PricewaterhouseCoopers S.p.A., whose reports thereon are attached to such annual financial statements.”

AMENDMENTS TO THE SECTION “INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.” SECTION

The following section “Information on Mediobanca International (Luxembourg) S.A.” shall replace the section “Information on Mediobanca International (Luxembourg) S.A.” set out in Chapter 13 on pages 441-445 of the Base Prospectus:

“INFORMATION ON MEDIOBANCA (LUXEMBOURG) S.A.

General Information

Name:	Mediobanca International (Luxembourg) S.A. (“ Mediobanca International ”).
Date of Incorporation:	Mediobanca International was incorporated in 1990 and its registered office was transferred to Luxembourg by a resolution of the Shareholders before a notary on December 21, 2005 and the articles of incorporation were published in the <i>Mémorial Recueil des Sociétés et Associations</i> number 567 on 17 March 2006. The articles of association have been amended on 5 October 2007 and have been published in the <i>Mémorial Recueil des Sociétés et Associations</i> number 2995 on 24 December 2007.
Legislation:	Mediobanca International operates under Luxembourg law.
Registered Office and Telephone Number:	4, Boulevard Joseph II, L-1840 Luxembourg, Tel. no.: (00352) 267303-1.
Registration:	Registre de Commerce et des Sociétés Luxembourg number B 112885.
Financial Year:	Mediobanca International's financial year ends on 30th June of each year.
General Meetings:	General Meetings are held at least once a year.

Share Information

Authorised and Issued Capital:	EUR 10,000,000 divided into 1,000,000 ordinary shares of EUR 10.00 each.
Reserves:	EUR 235,800,000 as at 30 June 2014.
Controlling Shareholders:	Mediobanca - Banca di Credito Finanziario S.p.A.
Change of control:	Mediobanca International is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca International.

Management

Board of Directors:

The Articles of Association provide for a Board of Directors consisting of at least three members elected by the general meeting of shareholders for a term of office not to exceed six years.

Directors:

The Board of Directors is responsible for setting authorisation levels, defining organisational structure, defining the system of internal control and reviewing it on a regular basis, and approving the bank's accounts and interim statements. The Board of Directors consists of the following eight Directors:

<i>Director</i>	<i>Place and date of birth</i>	<i>Principal activities performed by the Directors outside Mediobanca International</i>
Massimo Di Carlo (Chairman)	Rovereto on 25 June 1963	Deputy General Manager of Mediobanca
Stefano Biondi	Roma on 6 April 1977	Managing Director
Peter Gerrard	New York on 21 October 1947	Managing Director
Massimo Bertolini	Gorizia on 18 July 1965	Director
Livio Winteler	London on 11 September 1963	Director
Luca Tiziano Maccari	Milano on 14 March 1971	Director
Stéphane Bosi	Monticelli d'Ongina on 27 April 1953	Director
Alex Schmitt	Luxembourg on 24 March 1953	Director

The business address of each of the directors is 4, Boulevard Joseph II, L-1840 Luxembourg, with the exception of Massimo Di Carlo whose business address is 1 Piazzetta E. Cuccia, 20121 Milan and Alex Schmitt whose business address is 22-24 Rives de Clausen, L-2165 Luxembourg.

There are no potential conflicts of interests in relation to the update of the Programme between any of the Directors' duties to Mediobanca International and their private interests or other duties.

Managing Directors: Day-to-day management is entrusted to two managing directors: Peter Gerrard (Board member) and Stefano Biondi (Board member).

Approved independent auditors: PricewaterhouseCoopers Luxembourg, a *société coopérative* incorporated under the laws of Luxembourg, with its registered office at 2, rue Gerhard Mercator, L-1014 Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B.65477, was designated, during the Board of Directors held on 11 September 2012, the Mediobanca's independent auditor (*réviseur d'entreprises agréé*).

PwC Luxembourg, has audited the non-consolidated financial statements of Mediobanca as at and for the year ended 30 June 2013 and 30 June 2014 and will audit the non-consolidated financial statements of Mediobanca as at and for the year ending 30 June 2015.

PwC Luxembourg is registered as a corporate body with the public register of company auditors drawn up by the Luxembourg Ministry of Justice and is a member of the Institute of Independent Auditors (*l'Institut des Réviseurs d'Entreprises*) and is approved by the Commission de Surveillance du Secteur Financier ("CSSF") in the context of the law dated 18 December 2009 relating to the audit profession, as amended.

Corporate governance: Mediobanca International is not subject to any compulsory corporate governance code of conduct or respective statutory legal provisions. The Luxembourg law dated 10 August 1915 on commercial companies, as amended, does not make the application of a corporate governance code mandatory to Mediobanca International. The Ten Principles of Corporate Governance of the Luxembourg Stock Exchange do not apply because the shares of Mediobanca International are not listed on a regulated market operated by the Luxembourg Stock Exchange.

Object and General Business Policy

Business Operations: Mediobanca International may carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector.

Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium term notes programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.

Risk Management: All interest rate, currency, credit and other risks are managed within the Mediobanca Group.

Tax Treatment: See “*Taxation - (B) Tax Regime for Mediobanca International issues - Luxembourg*”.

Shareholders Equity and Medium and Long Term Debt

The following table shows the capitalisation in Euro of Mediobanca International as at 30 June 2014 and 2013.

	As at 30 June 2014 (Euro)	2013	
Shareholders equity			
Share capital	10,000,000	10,000,000	
Reserves	235,800,426	221,051,435	
Retained earnings	--	--	
Net profit	19,011,621	14,748,991	
Total Shareholder's equity	264,812,047	245,800,426	
Medium and long-term debt³			
1. Amounts owed to credit institutions	913,095,568	978,792,213	
2. Notes and bonds payable	1,209,268,468	1,372,748,614	
Total medium and long-term debt	2,122,364,036	2,351,540,827	
Total capitalisation	2,387,176,083	2,597,341,253	“

³ Medium and Long-term debt consists of amounts owed to credit institutions and notes and bonds payable for which the original maturity, at the date of issuance, was 18-months or longer.

AMENDMENTS TO THE SECTION “FINANCIAL INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.” SECTION

The following section “Financial Information on Mediobanca Luxembourg S.A.” shall replace the section “Information on Mediobanca Luxembourg S.A.” set out in Chapter 13 on page 446 of the Base Prospectus:

“FINANCIAL INFORMATION OF MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.

Mediobanca International only produces non-consolidated financial statements.

The audited non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2014 and 2013, in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See “Documents Incorporated by Reference”.

The annual non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2014 and 2013 have been prepared in accordance with IFRS as adopted by the European Union.

The annual non-consolidated financial statements as at and for the year ended 30 June 2014 and as at and for the year ended 30 June 2013 have been audited by PricewaterhouseCoopers, *Société coopérative*, whose reports thereon are attached to such annual non-consolidated financial statements.”

AMENDMENTS TO THE SECTION “GENERAL INFORMATION”

The following section “General Information” shall replace the section “General Information” set out in Chapter 13 on pages 472-476 of the Base Prospectus:

“GENERAL INFORMATION

(1) Listing and Admission to Trading

The Central Bank of Ireland has approved this Base Prospectus as a base prospectus. Application has also been made to the Irish Stock Exchange for Notes issued under the Programme to be listed on the Official List of Irish Stock Exchange and admitted to trading on the regulated market of the Irish Stock Exchange. The Irish Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

However, Notes may be issued pursuant to the Programme which will not be listed or admitted to trading on the Irish Stock Exchange or any other stock exchange or which will be listed or admitted to trading on such stock exchange as the Issuers and the relevant Dealer(s) may agree.

The Central Bank of Ireland may, at the request of the relevant Issuer, send to the competent authority of another European Economic Area Member State: (i) a copy of this Base Prospectus; (ii) an Attestation Certificate; and (iii) if so required by such competent authority, a translation of the section of this Base Prospectus headed “*Summary of the Programme*”.

(2) Each Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Luxembourg and the Republic of Italy in connection with the establishment of the Programme and the issue and performance of the Notes and the guarantee relating to them. The establishment of the Programme, including the giving of the Guarantee, was authorised by a circular resolution of the Board of Directors of Mediobanca International passed on 12 February 2014, a resolution adopted by the Executive Committee of Mediobanca passed on 17 September 2013 and the decision (determina) assumed by the Managing Director (Direttore Generale) of Mediobanca on 15 January 2014, as amended and supplemented on 13 February 2014.

(3) The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

(4) Save as disclosed in this Base Prospectus at page 437, Mediobanca International (where Mediobanca International is the Issuer) is not and none of Mediobanca and its consolidated subsidiaries (where Mediobanca is the Issuer or the Guarantor) is or has been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months preceding the date of this document relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability and, so far as Mediobanca or, as the case may be, Mediobanca International is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

(5) Neither Mediobanca nor Mediobanca International nor any of Mediobanca's subsidiaries has entered into any contracts in the last two years outside the ordinary course of business that have been or may reasonably be expected to be material to such Issuer's ability to meet its obligations to Noteholders.

- (6) In the case of Mediobanca since 30 June 2014 (being the last day of the financial period in respect of which the most recent audited annual financial statements of Mediobanca have been prepared) there has been no material adverse change in the financial or other position or prospects of Mediobanca or its subsidiaries.
- (7) In the case of Mediobanca International since 30 June 2014 (being the last day of the financial period in respect of which the most recent audited annual financial statements of Mediobanca International have been prepared) there has been no material adverse change in the financial or other position or prospects of Mediobanca International.
- (8) Notes will be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code and the International Securities Identification Number (ISIN) for each Series of Notes will be set out in the relevant Final Terms.
- (9) For so long as the Programme remains in effect or any Notes remain outstanding, the following documents will be available in electronic form (unless the investor requests physical copies), and in the case of paragraphs (vii), (viii), (ix) and (x) below, may be obtained free of charge during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent and the Paying Agent:
- (i) the Issue and Paying Agency Agreement;
 - (ii) the Dealer Agreement;
 - (iii) the Deeds of Covenant;
 - (iv) the Deed of Guarantee;
 - (v) the Programme Manual (being a manual signed for the purposes of identification by the Issuers and the Fiscal Agent, containing suggested forms and operating procedures for the Programme, including the forms of the Notes in global and definitive form);
 - (vi) the By-laws (*Statuto*) of Mediobanca and articles of incorporation of Mediobanca International;
 - (vii) the Mediobanca Registration Document 2014;
 - (viii) the published annual financial statements of Mediobanca International as at and for the years ended 30 June 2014 and 2013;
 - (ix) the consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2014 and 2013;
 - (x) Final Terms for Notes which are listed on the Official List of the Irish Stock Exchange or any other stock exchange;
 - (xi) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus;
 - (xii) the Press Release of Mediobanca dated 26 October 2014.

- (10) Physical copies of the latest annual consolidated financial statements of Mediobanca and annual financial statements of Mediobanca International, may be obtained upon request at the specified office of the Paying Agent during normal business hours, so long as any of the Notes are outstanding.
- (11) The Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities, except if required by any applicable laws and regulations.
- (12) The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.
- (13) The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Monte Titoli S.p.A. is Piazza degli Affari 6, 20123 Milan, Italy.
- (14) Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Mediobanca and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Mediobanca or Mediobanca's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Mediobanca routinely hedge their credit exposure to Mediobanca consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purpose of this paragraph the term "affiliates" includes also parent companies.
- (15) With respect to Article 3 (2) of the Prospectus Directive the Issuers consent, to the extent and under the conditions, if any, indicated in the Final Terms, to the use of the Base Prospectus as long as the Base Prospectus is valid in accordance with Article 9 of the Prospectus Directive and accepts responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of the Notes by any Dealer and/or financial intermediary which was given consent to use the prospectus.

Such consent may be given to all (general consent) or only one or more (individual consent) specified Dealers and/or financial intermediaries and/or for a limited or indefinite period, as stated in the Final Terms, and for Italy and/or Luxembourg as member states in which the Base Prospectus has been passported and which will be indicated in the relevant Final Terms.

Such consent by the Issuers is subject to each Dealer and/or financial intermediary complying with the terms and conditions described in this Base Prospectus and the relevant Final Terms as well as any applicable selling restrictions. The distribution of this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms as well as the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law.

Each Dealer and/or each financial intermediary, if any, and/or each person into whose possession this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms come are required to inform themselves about and observe any such restrictions. The Issuers reserve the right to withdraw its consent to the use of this Base Prospectus in relation to certain Dealers and/or each financial intermediary.

In case of an offer being made by a Dealer or a financial intermediary, such Dealer or financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

If the Final Terms state that the consent to use the Base Prospectus is given to all Dealers or financial intermediaries (general consent), any Dealer or financial intermediary using the Base Prospectus is required to state on its website that it uses the Base Prospectus in accordance with the consent and the conditions attached thereto.

If the Final Terms state that the consent to use the prospectus is given to one or more specified Dealers or financial intermediaries (individual consent), any new information with respect to Dealers or financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the website www.mediobanca.it.”

SCHEDULE 1

“GENERAL FORM OF FINAL TERMS FOR NOTES”

PART 2 – GENERAL FORM OF FINAL TERMS FOR NOTES

The Final Terms in respect of each Tranche of Notes will be in the following form and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

Final Terms

[MEDIOBANCA - Banca di Credito Finanziario S.p.A./

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.]

Issue of [*currency*] [*aggregate principal amount*] Notes due [*maturity*]

**[*guaranteed in the case of Notes issued by*
MEDIOBANCA INTERNATIONAL (Luxembourg) S.A. by**

MEDIOBANCA - Banca di Credito Finanziario S.p.A.]

under the

Structured Note Issuance Programme

SERIES NO: []

TRANCHE NO: []

Issue Price: [] per cent.

[Dealer(s)]

The date of these Final Terms is []

[The Base Prospectus referred to below (as completed by [the supplement to the Base Prospectus dated [] and] these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented Directive (2003/71/EC) (as amended) (the “**Prospectus Directive**”) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 9 (*Non-exempt offer*) of Part B below, provided such person is one of the persons mentioned in Paragraph 9 (*Non-exempt offer*) of Part B below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]¹

[The Base Prospectus referred to below (as completed by [the supplement to the Base Prospectus dated [] and] these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented Directive (2003/71/EC) (as amended) (the “**Prospectus Directive**”) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offer of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]²

[This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [•] 2014 [and the supplement to the Base Prospectus dated [insert date] [delete if not applicable],] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as supplemented from time to time]. Full information on the Issuer [and the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing at [address] and [website] and copies may be obtained from [address]].

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

¹ Include where a non-exempt offer of Notes is anticipated.

² Include where an exempt offer of Notes is anticipated.

[This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [*date of original base prospectus*]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (as amended) (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated [•] 2014 [and the supplement to the Base Prospectus dated []], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] which is incorporated by reference to the Base Prospectus dated [•] 2014. Full information on the Issuer [and the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [*date of original base prospectus*] and [•] 2014 [and the supplement to the Base Prospectus dated []]. The Base Prospectuses [and the supplement to the Base Prospectus] [is/are] available for viewing at the registered office[s] of the Issuer [and of the Guarantor] [at []].]

The Base Prospectus and, in the case of Notes admitted to trading on the regulated market of the Irish Stock Exchange, the applicable Final Terms will also be published on the website of the Irish Stock Exchange (www.ise.ie).]

[A summary of the individual issue is annexed to these Final Terms.]⁴

[Include whichever of the following apply or specify as “not applicable”. Note that the numbering should remain as set out below, even if individual items are deleted.]

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

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

⁴ Include only where a non-exempt offer of Notes is anticipated.

PART A – GENERAL

1. (i) Series Number: []
- [(ii) Tranche Number: []
- [(iii) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with [*identify earlier tranches*] on [the Issue Date] [exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about [*date*]] [Not Applicable]
- (Only relevant if the Notes are fungible with an existing Series.)*
2. Specified Currency or Currencies: []
3. Aggregate Nominal Amount of Notes admitted to trading:
- (i) Series: []
- [(ii) Tranche: []
- [The Aggregate Nominal Amount will not exceed [] and will be determined at the end of the Offer Period (as defined in paragraph [11] of Part B below).]
4. Issue Price: [[] per Note] [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)]
5. (i) Specified Denominations: [] [and integral multiples of [] in excess thereof up to and including []]. No Notes in definitive form will be issued with a denomination above [].]
- (Notes including Notes denominated in Sterling, in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of the Financial Services and Markets Act 2000 and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other*

- currencies).*)
- (ii) Calculation Amount: [] *(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. There must be a common factor in the case of two or more Specified Denominations.)*
6. (i) Issue Date: []
- (ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
7. Maturity Date: [Specify date or Interest Payment Date falling in relevant month and year.]
- (If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to “professional investors” or (ii) another applicable exemption from section 19 of the FSMA must be available.)*
8. Interest Basis: [[] per cent. Fixed Rate [for the [*] Fixed Rate Period]] *(specify for each Fixed Rate Period)*
- [[EURIBOR] [LIBOR] [LIBID] [LIMEAN] [CMS] [relevant yield of Government securities] [relevant swap rate]] +/- [] per cent. Per annum Floating Rate [for the [*] Floating Rate Period]] *(specify for each Floating Rate Period)*
- [Structured Rate]*(further particulars specified below)*
9. Redemption/Payment Basis: [Redemption at par]
- [Instalment]
- [Share Linked]
- [Index Linked]

- [Fund Linked]
- [Credit Linked]
- [Inflation Linked]
- [Commodity Linked]
- [Debt Linked]
- [Interest Rate Linked]
- [FX Linked]
- [Physical Delivery]
- (N.B. If the Final Redemption Amount is other than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply)*
10. Change of Interest: [Applicable – Base Condition 3(m) (*Interest Rate Switch*) shall apply]
- [Not Applicable – Base Condition 3(m) (*Interest Rate Switch*) shall not apply]
- Interest Rate Switch Date: [] [Not Applicable] [*Insert description of change of interest rate*]
11. Put/Call Options: [Not Applicable]
- [Investor Put]
- [Issuer Call]
- [(*further particulars specified below*)]
12. [Date [Board] approval for issuance of Notes [and Guarantee] obtained: [] [and [], respectively]]
- (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related guarantee of the Notes)*
13. Method of distribution: [Syndicated/Non-syndicated]
14. [Taxation: [Gross Up is applicable pursuant to paragraph (viii) of Base Condition 6(a) (*Taxation - Gross Up*)]

[Gross Up is not applicable pursuant to paragraph (viii) of Base Condition 6(a) (*Taxation - Gross Up*)]

15. Governing Law: [English law applicable]
[Italian law applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Interest Rate(s): [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] [for the [*] Fixed Rate Period] (*specify for each Fixed Rate Period*)
- (ii) Interest Payment Date(s): [] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/not adjusted]
(N.B. This will need to be amended in the case of long or short coupons)
- [(iii)] Interest Accrual Dates(s): [The Interest Accrual Dates are [] in each year up to and including the Maturity Date.] [The Interest Accrual Dates shall be the Interest Payment Dates.]
- [(iv)] [Fixed Rate Periods: [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the "[] Fixed Rate Period")]] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the "[.....] Fixed Rate Period")]]. (*specify for each Fixed Rate Period*)
(N.B. only relevant in case of more than one Fixed Rate Period)
- (v) Fixed Coupon Amount[(s)]: [] per Calculation Amount [for the [*] Fixed Rate Period] (*specify for each Fixed*

Rate Period)

- (vi) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] [for the [*] Fixed Rate Period] (*specify for each Fixed Rate Period*)
- [Not Applicable] (*if different, specify for each Fixed Rate Period*)
- (vii) Business Day Convention: [Following Business Day Convention [Modified Following Business Day Convention] [Preceding Business Day Convention] [adjusted] [unadjusted] (*if different, specify for each Fixed Rate Period*)
- (viii) Day Count Fraction: [1/1] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [with respect to the [*] Fixed Rate Period] (*specify for each Fixed Rate Period*)

17. **Floating Rate Provisions**

[Applicable/Not Applicable]

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

- (i) Interest Payment Dates: []
- (ii) First Interest Payment Date: []
- [(iii)] Interest Accrual Dates(s): [The Interest Accrual Dates are [] in each year up to and including the Maturity Date.] [The Interest Accrual Dates shall be the Interest Payment Dates.]
- [(iv)] [Floating Rate Periods: [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “[.....] Floating Rate Period”)] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “[.....] Floating Rate Period”)]. (*specify for each Floating Rate Period*)

(N.B. only relevant in case of more than one Floating Rate Period)

- (v) Business Day Convention: [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [adjusted] [unadjusted] [for the [*] Floating Rate Period] (*specify for each Floating Rate Period*)
- (vi) Additional Business Centre(s): [Not Applicable]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/CMS Determination/other] [for the [*] Floating Rate Period] (*specify for each Floating Rate Period*)
- (viii) Screen Rate Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph (viii))*
- [[*] Floating Rate Period] (*specify the following sub-paragraphs for each Floating Rate Period*)
- Reference Rate: [EURIBOR] [LIBOR] [LIBID] [LIMEAN] [CMS] [*specify relevant yield of Government securities*] [*specify relevant swap rate*]
 - Specified Duration: [] [Not Applicable]
 - Multiplier: [] [Not Applicable]
 - Reference Rate Multiplier: [] [Not Applicable]
 - Interest Determination Date(s): [The Interest Determination Date in respect of each Interest Period is [the first day of each Interest Period] [the second day on which TARGET2 is open prior to the first day of each Interest Period] [the day falling two Banking Days prior to the first day of each Interest Period] []] *Typically second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second TARGET Settlement Day prior to the start of each Interest Period if EURIBOR or euro LIBOR)*

- Relevant Screen Page: *[For example, Reuters page EURIBOR01/[*]]*
 - Relevant Time: *[For example, 11.00 a.m. [London / Brussels] time / [*]]*
 - Relevant Financial Centre: *[For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro/[*])]*
- (ix) ISDA Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph (viii) (ISDA Determination))*
- [[*] Floating Rate Period]: *(specify the following sub-paragraphs for each Floating Rate Period)*
- Floating Rate Option: [] [Not Applicable]
 - Designated Maturity: [] [Not Applicable]
 - Reset Date: [] [Not Applicable]
- (x) Margin(s): [[+/-][] per cent. per annum] [for the [*] Floating Rate Period] *(specify for each Floating Rate Period)*
- [Not Applicable]
- (xi) Minimum Interest Rate: [] [for the [*] Floating Rate Period] *(specify for each Floating Rate Period)* [Not Applicable]
- (xii) Maximum Interest Rate: [] [for the [*] Floating Rate Period] *(specify for each Floating Rate Period)* [Not Applicable]
- (xiii) Day Count Fraction: [1/1] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] *(specify for each Floating Rate Period)*
- (xiv) Interest calculation method for short or long Interest Periods: [Linear Interpolation, in respect of the Interest Period beginning on (and including) [] and ending on (but excluding) []]

		[Not Applicable – there are no short or long Interest Periods]
(xv)	Party responsible for calculating the Interest Rate(s) and Interest Amount(s) (if not the Fiscal Agent):	[] [Name] shall be the Calculation Agent (no need to specify if the Fiscal Agent is to perform this function)
18.	Structured Rate Provisions	[Applicable/Not Applicable]
	Structured Rate Formula:	(If not applicable, delete the remaining subparagraphs of this paragraph)
(i)	Performance Differential:	[Applicable/Not Applicable]
		(If not applicable, delete the remaining subparagraphs of this paragraph)
	• Interest Amount:	Calculation Amount * [(Interest Participation Factor *][the greater of (i) Floor and (ii)] (Performance of Underlying 1 – Performance of Underlying 2))
	• Interest Participation Factor:	[] [Not Applicable]
	• Floor:	[]
	• Reference Item 1:	[] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] and [from the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [Maturity Date]] []
	• Reference Item 2:	[] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] and [from the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [Maturity Date]] []
	• Interest Settlement Price:	[] [specify for each of Reference Items 1 and Reference Items 2 in accordance with the Specific Conditions]

- Initial Interest Reference Level: [] [With respect to Reference Item 1 and Reference Item 2, the Interest Settlement Price on the Initial Interest Valuation Date.]
 - Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Interest Averaging Dates].
 - Initial Interest Valuation Date: [] [Not Applicable]
 - Final Interest Valuation Date: [] [Not Applicable]
 - Averaging: [Applicable] [Not Applicable]
 - Interest Averaging Dates: [] [Not Applicable]
- (ii) Best Performance:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- Interest Amount: Calculation Amount * [(Interest Participation Factor) *] [the greater of (i) Floor and (ii)] (Best Performance of Underlying)
 - Interest Participation Factor: [] [Not Applicable]
 - Floor: []
 - Component[s]: []
 - Component[s] Weight[s]: []
 - Interest Settlement Price: [] [*specify for each Component in accordance with the Specific Conditions*]
 - Initial Interest Reference Level: [] [With respect to each Component, the Interest Settlement Price on the Initial Interest Valuation Date.]
 - Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Date].
 - Initial Interest Valuation Date: [] [Not Applicable]
 - Final Interest Valuation Date: [] [Not Applicable]

- Averaging: [Applicable] [Not Applicable]
- Interest Averaging Dates: [] [Not Applicable]
- (iii) Worst Performance:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Interest Amount: Calculation Amount * [(Interest Participation Factor) *] [the greater of (i) Floor and (ii)] (Best Performance of Underlying)
- Interest Participation Factor: [] [Not Applicable]
- Floor: []
- Component[s]: []
- Component[s] Weight[s]: []
- Interest Settlement Price: [] [*specify for each Component in accordance with the Specific Conditions*]
- Initial Interest Reference Level: []
- Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates]
- Initial Interest Valuation Date: [] [Not Applicable]
- Final Interest Valuation Date: [] [Not Applicable]
- Averaging: [Applicable] [Not Applicable]
- Interest Averaging Dates: [] [Not Applicable]
- (iv) Digital Call:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [Digital Call Periods:] [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “[*] Digital Call Period”)] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the

[[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Digital Call Period**”)]. *(specify for each Digital Call Period)*

(N.B. only relevant in case of more than one Digital Call Period)

[[*] Digital Call Period:]

(specify the following sub-paragraphs for each Digital Call Period)

• Interest Amount:

[] if a Structured Barrier Event has occurred and [] if a Structured Barrier Event has not occurred.

• Structured Barrier Event:

A Structured Barrier Event has occurred if [the Interest Settlement Price of the Reference Item on the Structured Barrier Observation Date] [the average of the Interest Settlement Prices of the Reference Item on each of the Structured Barrier Observation Dates] is [equal to] [and] [/] [or] [greater than] the Structured Barrier Level.

• Reference Item:

[] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] and [from the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [Maturity Date]] [with respect to the [*] Digital Call Period] []

• Interest Settlement Price:

[] *[specify for Reference Item in accordance with the Specific Conditions]*

• Structured Barrier Observation Date[s]: []

• Structured Barrier Level: []

(v) **Digital Put:**

[Applicable/Not Applicable]

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

• [Digital Put Periods:]

[From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling

on [*] to the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Digital Put Period**”)] [and] [from the [Issue Date] [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Digital Put Period**”)]. *(specify for each Digital Put Period)*

(N.B. only relevant in case of more than one Digital Put Period)

[*] Digital Put Period:]

(specify the following sub-paragraphs for each Digital Put Period)

- Interest Amount:

[] if a Structured Barrier Event has occurred and [] if a Structured Barrier Event has not occurred.

- Structured Barrier Event:

A Structured Barrier Event has occurred if [the Interest Settlement Price of the Reference Item on the Structured Barrier Observation Date] [the average of the Interest Settlement Prices of the Reference Item on each of the Structured Barrier Observation Dates] is [equal to] [and] [/] [or] [less than] the Structured Barrier Level.

- Reference Item:

[] [from the [Issue Date] [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] and [from the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [Maturity Date]] [with respect to the [*] Digital Put Period] []

- Interest Settlement Price:

[] *[specify for each Reference Item in accordance with the Specific Conditions]*

- Structured Barrier Observation Date[s]:

[]

- Structured Barrier Level:

[]

(vi) **Best of Digital Call:**

[Applicable/Not Applicable]

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

- [Best of Digital Call Periods:] [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Best of Digital Call Period**”)] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Best of Digital Call Period**”)]. *(specify for each Best of Digital Call Period)*

(N.B. only relevant in case of more than one Best of Digital Call Period)

[[*] Best of Digital Call Period:] *(specify the following sub-paragraphs for each Best of Digital Call Period)*

- Interest Amount: [] if a Structured Barrier Event has occurred and [] if a Structured Barrier Event has not occurred.

- Structured Barrier Event: A Structured Barrier Event has occurred if, with respect to an Interest Period and the Component comprised in the Basket having the highest Performance of Component in that Interest Period, [the Interest Settlement Price on the Structured Barrier Observation Date] [the average of the Interest Settlement Prices on each of the Structured Barrier Observation Dates] is [equal to] [and] [/] [or] [greater than] the Structured Barrier Level.

- Performance of Underlying:
$$\left[\frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} \right] - 1$$
 []

$$\left[\text{Max } 0; \frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} - 1 \right]$$

- Component[s]: []
- Component[s] Weight[s]: []
- Interest Settlement Price: [] *[specify for Reference Item in*

accordance with the Specific Conditions]

- Structured Barrier Observation Date[s]: []
 - Structured Barrier Level: []
 - Initial Interest Reference Level: [] [With respect to each Component, the Interest Settlement Price on the Initial Interest Valuation Date.]
 - Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates].
 - Initial Interest Valuation Date: [] [Not Applicable]
 - Final Interest Valuation Date: [] [Not Applicable]
 - Averaging: [Applicable] [Not Applicable]
Interest Averaging Dates: [] [Not Applicable]
- (vii) **Best of Digital Put:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [Best of Digital Put Periods:] [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Best of Digital Put Period**”)] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] **Best of Digital Put Period**”)]. *(specify for each Best of Digital Put Period)*
- (N.B. only relevant in case of more than one Best of Digital Put Period)*
- [[*] Best of Digital Put Period:] *(specify the following sub-paragraphs for each Best of Digital Put Period)*
- Interest Amount: [] if a Structured Barrier Event has occurred and [] if a Structured Barrier Event has not occurred.

- Structured Barrier Event: A Structured Barrier Event has occurred if, with respect to an Interest Period and the Component comprised in the Basket having the highest Performance of Component in that Interest Period, [the Interest Settlement Price on the Structured Barrier Observation Date] [the average of the Interest Settlement Prices on each of the Structured Barrier Observation Dates] is [equal to] [and] [/] [or] [less than] the Structured Barrier Level.

- Performance of Underlying:

$$\left[\frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} - 1 \right]$$

$$\left[\text{Max } 0; \left[\frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} - 1 \right] \right]$$

- Component[s]: []
- Component[s] Weight[s]: []
- Interest Settlement Price: [] [*specify for Reference Item in accordance with the Specific Conditions*]
- Structured Barrier Observation Date[s]: []
- Structured Barrier Level; []
- Initial Interest Reference Level: [] [With respect to each Component, the Interest Settlement Price on the Initial Interest Valuation Date.]
- Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates].
- Initial Interest Valuation Date: [] [Not Applicable]
- Final Interest Valuation Date[s]: [] [Not Applicable]
- Averaging: [Applicable] [Not Applicable]
- Interest Averaging Dates: [] [Not Applicable]

(viii) **Worst of Digital Call:** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-

paragraphs of this paragraph)

- [Worst of Digital Call Periods:] [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “**[*] Worst of Digital Call Period**”)] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “**[*] Worst of Digital Call Period**”)]. *(specify for each Worst of Digital Call Period)*

(N.B. only relevant in case of more than one Worst of Digital Call Period)

[[*] Worst of Digital Call Period:] *(specify the following sub-paragraphs for each Worst of Digital Call Period)*

- Interest Amount: [] if a Structured Barrier Event has occurred and [] if a Structured Barrier Event has not occurred.

- Structured Barrier Event: A Structured Barrier Event has occurred if, with respect to an Interest Period and the Component comprised in the Basket having the lowest Performance of Component in that Interest Period, [the Interest Settlement Price on the Structured Barrier Observation Date] [the average of the Interest Settlement Prices on each of the Structured Barrier Observation Dates] is [equal to] [and] [/] [or] [greater than] the Structured Barrier Level.

- Performance of Underlying:

$$\left[\frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} \right] - 1$$

[]

$$\left[\text{Max 0; } \frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} - 1 \right]$$

[]

- Component[s]: []
- Component[s] Weight[s]: []
- Interest Settlement Price: [] *[specify for Reference Item in accordance with the Specific Conditions]*

- Structured Barrier Observation []
Date[s]:
 - Structured Barrier Level: []
 - Initial Interest Reference Level: [] [With respect to each Component, the Interest Settlement Price on the Initial Interest Valuation Date.]
 - Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates].
 - Initial Interest Valuation Date: [] [Not Applicable]
 - Final Interest Valuation Date[s]: [] [Not Applicable]
 - Averaging: [Applicable] [Not Applicable]
Interest Averaging Dates: [] [Not Applicable]
- (ix) Worst of Digital Put:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [Worst of Digital Put Periods:] [From the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] Worst of Digital Put Period”)] [and] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [(the “ [*] Worst of Digital Put Period”)]. *(specify for each Worst of Digital Put Period)*
- (N.B. only relevant in case of more than one Worst of Digital Put Period)*
- [[*] Worst of Digital Put Period:] *(specify the following sub-paragraphs for each Worst of Digital Put Period)*
- Interest Amount: [] if a Structured Barrier Event has occurred and [] if a Structured Barrier Event has not occurred.
 - Structured Barrier Event: A Structured Barrier Event has occurred if, with respect to an Interest Period and the

Component comprised in the Basket having the lowest Performance of Component in that Interest Period, [the Interest Settlement Price on the Structured Barrier Observation Date] [the average of the Interest Settlement Prices on each of the Structured Barrier Observation Dates] is [equal to] [and] [/] [or] [less than] the Structured Barrier Level.

- Performance of Underlying:

$$\left[\frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} \right] - 1$$

[]

$$\left[\text{Max } 0; \frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} \right] - 1$$

[]

- Component[s]: []
- Component[s] Weight[s]: []
- Interest Settlement Price: [] [*specify for Reference Item in accordance with the Specific Conditions*]
- Structured Barrier Observation Date[s]: []
- Structured Barrier Level: []
- Initial Interest Reference Level: [] [With respect to each Component, the Interest Settlement Price on the Initial Interest Valuation Date.]
- Final Interest Reference Level: The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates].
- Initial Interest Valuation Date[s]: [] [Not Applicable]
- Final Interest Valuation Date[s]: [] [Not Applicable]
- Averaging: [Applicable] [Not Applicable]
- Interest Averaging Dates: [] [Not Applicable]

(x) European Call: [Applicable/Not Applicable]

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

Option 1

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of Option 1)

- Interest Amount: Calculation Amount * [(Spread plus)Interest Participation Factor] * (the greater of (i) Floor and (ii) Performance of Underlying)
- Initial Interest Reference Level: [] [With respect to the Reference Item, the Interest Settlement Price on the Initial Interest Valuation Date.]

[[for Inflation Linked Notes only] The Index Level reported for the Initial Index Level Month]
- Final Interest Reference Level: [The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates].]

[[for Inflation Linked Notes only] The Index Level reported for the Final Index Level Month.]
- Initial Interest Valuation Date: [] [Not Applicable]
- Final Interest Valuation Date[s]: [] [Not Applicable]
- Averaging: [Applicable] [Not Applicable]
Interest Averaging Dates: [] [Not Applicable]
- Reference Item: [] [from the [Issue Date] [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] and [from the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [Maturity Date]] []
- Interest Participation Factor: []
- Floor: []
- Spread: []

Option 2

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of Option 2)

- Interest Amount: Calculation Amount * (the greater of (i) Floor and (ii) [Spread plus][([Interest Participation Factor] * Performance of Underlying)])

- Initial Interest Reference Level: [] [With respect to the Reference Item, the Interest Settlement Price on the Initial Interest Valuation Date.]

[[for Inflation Linked Notes only] The Index Level reported for the Initial Index Level Month.]

- Final Interest Reference Level: [The [average of the] Interest Settlement Price[s] [on the Final Interest Valuation Date] [determined on each of the Final Interest Valuation Dates].]

[[for Inflation Linked Notes only] The Index Level reported for the Final Index Level Month.]

- Initial Interest Valuation Date: [] [Not Applicable]
- Final Interest Valuation Date[s]: [] [Not Applicable]
- Averaging: [Applicable] [Not Applicable]
Interest Averaging Dates: [] [Not Applicable]

- Reference Item: [] [from the [Issue Date] [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] and [from the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] to the [[*] Interest Rate Switch Date] [Interest Payment Date falling on [*]] [Maturity Date]] []

- Interest Participation Factor: []
- Floor: []
- Spread: []

(xi) **General:**

(the following apply generally to all the Structured Rate Provisions from (i) to (x) above)

- Interest Barrier Event: [Applicable. An Interest Barrier Event will occur if the Interest Settlement Price of [the Reference Item][Reference Item 1][Reference Item 2][the Component[s] comprised in the Basket] is [equal to] [and] [/] [or] [greater than][less than] the Interest Barrier Level on [an Interest Barrier Observation Date][at any time during the Interest Barrier Observation Period].] [Upon the occurrence of an Interest Barrier Event the Notes [cease to bear interest from] [and/or] [will be redeemed early on [] [the Interest Barrier Payment Date falling on []].]

[Not Applicable] (If not applicable, delete the remaining sub-paragraphs from (a) to (d) below)

- (a) Interest Barrier Amount: []

[Calculation Amount multiplied by (1+(Participation Factor multiplied by Performance of Underlying))]

- (b) Performance of Underlying:

$$\left[\frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} - 1 \right]$$

[]

$$\left[\text{Max } 0; \frac{\text{Final Interest Reference Level}}{\text{Initial Interest Reference Level}} - 1 \right]$$

[]

- (c) Interest Barrier Level: []

- (d) Interest Barrier Payment Date[s]: []

- (e) Interest Barrier: []
Observation Period:

- Maximum Interest Amount: [] [Not Applicable]
- Minimum Interest Amount: [] [Not Applicable]
- Interest Payment Dates: []

- First Interest Payment Date: []
- Interest Accrual Dates(s): [The Interest Accrual Dates are [] in each year up to and including the Maturity Date.]
[The Interest Accrual Dates shall be the Interest Payment Dates.]
- Business Day Convention: [Following Business Day Convention]
[Modified Following Business Day Convention] [Preceding Business Day Convention] [adjusted] [unadjusted]
- [Additional Business Centre(s):] [Not Applicable]
- Party responsible for calculating the Interest Amount(s) (*if not the Fiscal Agent*): [] [*Name*] shall be the Calculation Agent (*no need to specify if the Fiscal Agent is to perform this function*)

PROVISIONS RELATING TO REDEMPTION

19. **Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Optional Redemption Date(s): []
 - (ii) Optional Redemption Amount(s): [] per Calculation Amount
 - (iii) If redeemable in part: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
 - (a) Minimum Redemption Amount [] per Calculation Amount
 - (b) Maximum Redemption Amount: [] per Calculation Amount
 - (iv) Notice period: [] (*at least 5 business days prior notice*)
20. **Redemption for taxation reasons** [Applicable/Not Applicable]
21. **Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Optional Redemption Date(s): []
 - (ii) Optional Redemption Amount(s) (Put): [] per Calculation Amount
 - (iii) Notice period: []

22.	Final Redemption Amount of each Note	<p>[[] per Calculation Amount]</p> <p><i>(Insert the above if the Notes are Credit Linked Notes)</i></p> <p><i>(If the Notes are not Credit Linked Notes specify the applicable Final Redemption Formula)</i></p>
(i)	Final Redemption Amount Formula:	<p>[Applicable] [Not Applicable]</p> <p><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p> <ul style="list-style-type: none"> • Normal Performance: <p style="margin-left: 20px;">[Applicable] [Not Applicable]</p> <p style="margin-left: 20px;"><i>(if not applicable, delete the remaining text of "Normal Performance")</i></p> <p style="margin-left: 20px;">[The Final Redemption Amount is calculated in accordance with the following:</p> <p style="margin-left: 20px;"><i>[Insert if the Reference Item is not a Basket:</i></p> <p style="margin-left: 40px;">(i) the Calculation Amount; multiplied by</p> <p style="margin-left: 40px;">(ii) (1 + Performance of Underlying),]</p> <p style="margin-left: 20px;"><i>[Insert if the Reference Item is a Basket:</i></p> <p style="margin-left: 40px;">(i) the Calculation Amount; multiplied by</p> <p style="margin-left: 40px;">(ii) [1+] the sum of each of the following values calculated with respect to each Component:</p> <ul style="list-style-type: none"> a) [1 +] [the greater of (i) 0 and (ii)] Performance of Component; multiplied by b) Component Weight.] • Performance Differential: <p style="margin-left: 20px;">[Not Applicable] [Applicable]</p> <p style="margin-left: 20px;"><i>(if not applicable, delete the remaining text of "Performance Differential")</i></p> <ul style="list-style-type: none"> - Participation Factor: <p style="margin-left: 20px;">[Not Applicable] [Applicable]</p> <p style="margin-left: 20px;">[The Final Redemption Amount is calculated in accordance with the following:</p> <p style="margin-left: 20px;"><i>[Insert if Participation Factor is applicable:</i></p>

[(i) the Calculation Amount; multiplied by

(ii) 1 + (Participation Factor multiplied by (Performance of Underlying 1 – Performance of Underlying 2)),]

[Insert if Participation Factor is not applicable:]

[(i) the Calculation Amount; multiplied by

(ii) 1 + (Performance of Underlying 1 – Performance of Underlying 2),]

[provided that the Final Redemption Amount will not be [greater than the Maximum Redemption Amount] [and will not be] less than the Minimum Redemption Amount]. Such amount shall, if applicable, be converted into the Relevant Currency on [●] [the Maturity Date].

[Performance of Underlying is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$$

$$\left[\text{[Max 0;]} \left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right] \right]$$

[Performance of Underlying 1 is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$$

$$\left[\text{[Max 0;]} \left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right] \right]$$

[Performance of Underlying 2 is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$$

$$\left[\text{[Max 0;]} \left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right] \right]$$

[Performance of Component is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$$

[Participation Factor is []]

(Insert the above if the Notes are Share Linked Notes, Index Linked Notes, Fund Linked Notes, Inflation Linked Notes, Commodity Linked Notes, Debt Linked Notes or FX Linked Notes and not Physical Delivery Notes)

[Not applicable – the Notes are Physical Delivery Notes]

(ii) Redemption Barrier Event:

[Not Applicable] [Applicable]

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

[The Redemption Barrier Event will occur if the Settlement Price of [the Reference Item] [Reference Item 1][Reference Item 2][the Component[s] comprised in the Basket] is [equal to] [and] [or] [greater than] [less than] the Redemption Barrier Level [on a Redemption Barrier Observation Date] [at any time during the Redemption Barrier Observation Date]

- Barrier Redemption Date: [Upon the occurrence of a Redemption Barrier Event the Notes will be redeemed early on [].] []
- Barrier Redemption Amount: []
- Redemption Barrier Level: []
- [Redemption Barrier Observation Date[s]]: []
- [Redemption Barrier Observation Period]: []
- Maximum Redemption Amount: [] [Not Applicable]
- Minimum Redemption Amount: [] [Not Applicable]

23. **Early Redemption Amount**

Early Redemption Amount(s) payable on [[] per Calculation Amount]
redemption for taxation reasons or on event of default or Seller Merger Notice (if applicable) [An amount in the Relevant Currency being the Nominal Amount of the Notes]

[An amount in the Relevant Currency being the higher of (i) the Nominal Amount of the Notes and (ii) the fair economic value of the Notes at the date of redemption, as determined and calculated by the Calculation Agent in its sole discretion in good faith and in a commercially reasonable manner as representing the fair economic value of the Note at the date of redemption].

[An amount in the Relevant Currency which the Calculation Agent will determine and calculate in its sole discretion in good faith and in a commercially reasonable manner as representing the fair economic value of the Note at the date of redemption, without making any reduction to such value by reason of the financial condition of the Issuer but taking into account (without duplication) any costs and expenses incurred by the Issuer in connection with the termination of any agreement or instrument entered into by the Issuer for the purposes of hedging the risk arising from the entering into and performance of its obligations under the Notes.]

[The Early Redemption Amount Payable on Event of Default shall be Euro [] for each Note of Euro [] Specified Denomination.]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note.]

[Temporary Global Note exchangeable for Definitive Notes on [] days' notice.]

- [Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note].
- [The Notes will be issued and held in book-entry form by [*Monte Titoli S.p.A/ include the name of any other custodian appointed by the Issuer*], as Centralised Custodian.]
25. New Global Note form: [Yes/No]
26. Additional Financial Centre(s) relating to Payment Business Dates: [Not Applicable] []
- [*Note that this item relates to the date and place of payment and not to interest period end dates*]
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [No]
- [Yes. As the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are left. The dates on which such Talons mature are [].]
28. Details relating to Instalment Notes: (amount of each instalment, date on which each payment is to be made): [Not Applicable] [Applicable]
- [*If not applicable, delete the remaining sub-paragraphs of this paragraph*]
- (i) Instalment Date(s): []
- (ii) Instalment Amount(s) []
29. **Total Repurchase Option / Partial Repurchase Option** [Applicable/Not Applicable]
- [*If not applicable, delete the remaining sub-paragraphs of this paragraph*]
- (i) Total Repurchase Option date / Partial Repurchase Option date(s): []
- (ii) Repurchase amount(s) and method(s), if any, of calculation of such amount(s): [] per Calculation Amount
- (iii) Notice period: [] (*at least 5 business days prior notice*)
30. US Selling Restrictions: [Reg. S Compliance Category: TEFRA C/ TEFRA D/ TEFRA not applicable]

PRODUCT TERMS

(Include the relevant Product Terms for Share Linked Notes, Index Linked Notes, Fund Linked Notes, Credit Linked Notes, Inflation Linked Notes, Commodity Linked Notes, Debt Linked Notes, Interest Rate Linked Notes or FX Linked Notes and, if applicable, the Product Terms for Physical Delivery Notes)

[31.]	Share Linked Notes Provisions	[Applicable] [Not Applicable]
	<i>[The following apply to Share Linked Notes where the Notes are linked to a single share only and, if applicable, are to be completed for each share]:</i>	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Reference Item:	[]
	- Share Issuer:	[]
	- Shares:	<i>[name and short description of type of shares] issued by the Share Issuer (ISIN: [●]).</i>
(ii)	Automatic Early Redemption:	[Applicable/ Not Applicable] <i>[If not applicable, delete the automatic early redemption provisions which follow]</i>
	- Automatic Early Redemption Amount:	[] [Not Applicable]
	- Automatic Early Redemption Date(s):	[] [Not Applicable] <i>[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]</i>
	- Automatic Early Redemption Event:	[greater than/greater than or equal to/less than/less than or equal to/[*]]
	- Automatic Early Redemption Price:	[] [Not Applicable]
	- Automatic Early Redemption Rate:	[] [Not Applicable]
	- Automatic Early Redemption Valuation Date(s):	[] [Not Applicable]
(iii)	Averaging:	[Applicable] [Not Applicable]
	Averaging Dates:	[] [Not Applicable]
(iv)	Business Day:	[a day on which (i) commercial banks and foreign exchange markets settle

payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open].

- (v) Constant Monitoring: [Applicable (if applicable specify “Valuation Time Only” below as not applicable)] [Not Applicable] (may be applicable if Automatic Early Redemption is applicable)
- (vi) Exchange: []
- (vii) Expiration Date: [] [Not Applicable]
- (viii) - Initial Reference Level: [(if fallback provisions in Chapter 3, Part (A), not to apply)] [Not Applicable]
- (ix) Observation Date(s): [] [Not Applicable]
- (x) Observation Period: [The period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]]
[Not Applicable]
- (xi) Share Currency: [specify]
- (xii) Strike Date: [] [Not Applicable]
- (xiii) Strike Price: [] [Not Applicable]
- (xiv) Valuation Time Only: [Applicable (If applicable specify “Constant Monitoring” above as not applicable)]
[Not Applicable]

[31.] [The following apply to Share Linked Notes where the Notes are linked to a Basket of Shares only:

- (i) Reference Item: []
- Share Issuer: []
- Shares: “Basket” means a basket composed of Shares in the relative [proportions/numbers of Shares] specified

below:

[Insert details of:

- *Share Issuer*
- *name and short description of type of shares*
- *[Component Weights]*
- *ISIN number*
- *Exchange]*

- (ii) Automatic Early Redemption: [Applicable][Not Applicable] [*If not applicable, delete the automatic early redemption provisions which follow*]
- Automatic Early Redemption Amount: [] [Not Applicable]
- Automatic Early Redemption Date(s): [] [Not Applicable] [*If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event*]
- Automatic Early Redemption Event: [*specify whether the Automatic Early Redemption Event is triggered by the Price of one or more Shares in the Basket; specify the applicable Share(s)*]
- [greater than/ greater than or equal to/ less than/ less than or equal to] [*complete as appropriate*]
- Automatic Early Redemption Price(s): [] [Not Applicable]
- Automatic Early Redemption Rate: [] [Not Applicable]
- Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (iii) Averaging: [Applicable] [Not Applicable]
- Averaging Dates: [] [Not Applicable]
- (iv) Business Day: [A day on which (i) commercial banks

and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET system is open].

- (v) Constant Monitoring: [Applicable] [Not Applicable] [*If applicable specify as applicable and specify "Valuation Time Only" below as not applicable*] (*may be applicable if Automatic Early Redemption is applicable*)
- (vi) Exchange: [*specify*]
- (vii) Expiration Date: [] [Not Applicable]
- (viii) Initial Reference Level:
- (ix) Observation Date(s): [] [Not Applicable]
- (x) Observation Period: [The period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]]
[Not Applicable]
- (xi) Share Currency: [] [Not Applicable]
- (xii) Strike Date: [] [Not Applicable]
- (xiii) Strike Price: [] [Not Applicable]
- (xiv) Valuation Time Only: [Applicable.] [*If applicable, specify "Constant Monitoring" above as not applicable*] [Not Applicable]]

[31.] **Index Linked Provisions** [Applicable] [Not Applicable]

[The following apply to Index Linked Notes where the Notes are linked to a single index only and, if applicable, are to be completed for each index: (If not applicable, delete the remaining sub-paragraphs of this paragraph)]

- (i) Reference Item: []
- Index: []
- Index Sponsor: []

- (ii) Automatic Early Redemption: [Applicable] [Not Applicable]
- [If not applicable, delete the automatic early redemption provisions which follow]*
- Automatic Early Redemption Amount: [] [Not Applicable]
- Automatic Early Redemption Date(s): [] [Not Applicable]
- [If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: [greater than/ greater than or equal to/less than/ less than or equal to] [complete as appropriate]
- Automatic Early Redemption Level: [] [Not Applicable]
- Automatic Early Redemption Rate: [] [Not Applicable]
- Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (iii) Averaging: [Applicable] [Not Applicable]
- Averaging Dates: [[]] [Not Applicable]
- (iv) Business Day: [*specify as* [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open]]]
- (v) Constant Monitoring: [*If applicable specify as applicable and specify "Official Closing Level Only" below as not applicable*] (*may be applicable if Automatic Early Redemption is applicable*)
- (vi) Exchange(s): [*specify if Non-Multi Exchange Index, otherwise no need to complete*]
- (vii) Expiration Date: [] [Not Applicable]

- (viii) Initial Reference Level: [] [Not Applicable]
- (ix) Multi-Exchange Index: [Yes][No]
- (x) Non Multi-Exchange Index: [Yes][No]
- (xi) Observation Date(s): [] [Not Applicable]
- (xii) Observation Period: [*specify as* [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]]]
[Not Applicable]
- (xiii) Official Closing Level Only: [*If applicable, specify as applicable and specify “Constant Monitoring” above as not applicable*]
- (xiv) Strike Date: [] [Not Applicable]
- (xv) Strike Price: [] [Not Applicable]]

[31.] [*The following apply to Index Linked Notes where the Notes are linked to a Basket of Indices only:*

- (i) Reference Item: []
- Indices: “**Basket**” means a basket composed of Indices in the relative proportions specified below:
[Insert details for each Index of:
- *Index Sponsor*
 - *[Component Weights]*
- (ii) Automatic Early Redemption: [Applicable] [Not Applicable]
[If not applicable, delete the automatic early redemption provisions which follow]
- Automatic Early Redemption Amount: [] [Not Applicable]
- Automatic Early Redemption Date(s): [] [Not Applicable]
- [If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period,*

then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]

- Automatic Early Redemption Event: [greater than/ greater than or equal to/less than/ less than or equal to] [complete as appropriate]
- Automatic Early Redemption Level: [] [Not Applicable]
- Automatic Early Redemption Rate: [] [Not Applicable]
- Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (iii) Averaging: [Applicable] [Not Applicable]
 - Averaging Dates: [[]] [Not Applicable]
- (iv) Business Day: [*specify as* [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open]]]
- (v) Constant Monitoring: [*If applicable specify as applicable and specify "Official Closing Level Only" below as not applicable*] (*may be applicable if Automatic Early Redemption is applicable*)
- (vi) Exchange(s): [*specify if Non-Multi Exchange Index, otherwise no need to complete*]
- (vii) Expiration Date: [] [Not Applicable]
- (viii) Initial Reference Level: [] [Not Applicable]
- (ix) Multi-Exchange Index: [Yes][No]
- (x) Non Multi-Exchange Index: [Yes][No]
- (xi) Observation Date(s): [] [Not Applicable]
- (xii) Observation Period: [*specify as* [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]]]

		[Not Applicable]
(xiii)	Official Closing Level Only:	<i>[If applicable, specify as applicable and specify “Constant Monitoring” above as not applicable]</i>
(xiv)	Strike Date:	[] [Not Applicable]
(xv)	Strike Price:	[] [Not Applicable]]
[31.]	Fund Linked Notes Provisions	[Applicable] [Not Applicable]
	<i>[The following apply to Fund Linked Notes only: (If not applicable, delete the [specify the following items for each Reference Item] remaining sub-paragraphs of this paragraph)</i>	
(i)	Reference Item:	
	- Fund:	<i>[Specify]</i>
	- Fund Interest:	<i>[Specify]</i>
	- Fund Manager:	<i>[Specify]</i>
(ii)	Applicable Fund Centre(s):	<i>(for the purpose of Fund Business Days)</i> [●]
(iii)	Fund Business Day Convention:	[Following] / [Modified Following] / [Preceding] Market Disruption
(iv)	Disrupted Period:	[●] <i>[Specify number of Fund Business Days before Issuer may estimate values owing to Market Disruption]</i> Fund Business Days
(v)	Basket Portfolio Disruption:	[Applicable][Not Applicable] [Affected Fund Disruption/Basket Disruption/Affected Fund Estimate]
(vi)	Averaging Date Disruption:	[Omission] / [Postponement] / [Modified Postponement]
(vii)	Basket Averaging Date Disruption:	[Affected Fund] [Basket] [Omission] [Affected Fund] [Basket] [Postponement] [Affected Fund] [Basket] [Modified Postponement]
(viii)	Cut-off Period:	[Not Applicable] [●]
	<i>(If Averaging Date Disruption is determined by Modified Postponement and the period is different to the</i>	

Disrupted Period)

- (ix) Initial Reference Level: [Not Applicable]
- (x) Final Reference Level:
 - Final Price [Single Price is applicable] [Average Price is applicable]
- (xi) Substitution Event (select all that apply): [Audit Event;] [Charging Change;] [Corporate Event;] [Cross-contamination;] [Currency Change;] [Fund Accounting Event;] [Fund Constitution Breach;] [Fund Constitution Change;] [Fund Regulatory Event;] [Fund Rules Breach;] [Fund Strategy Breach;] [Fund Strategy Change;] [Fund Tax Event;] [Hedging Event;] [Investor Tax Event;] [Litigation Event;] [Management Change;] [Mandatory Disposal;] [Market Event;] [NAV Suspension;] [Performance Failure;] [Potential Regulatory Event;] [Redemption Failure;] [Regulatory Event;] [Subscription/Redemption Alteration;] [Subscription/Redemption Restriction;] [Transfer Restriction]
- [Not Applicable]

[The following apply to Fund Linked Notes only where Basket Portfolio Provisions shall apply:

[31.] Basket Portfolio: [Applicable] [Not Applicable]

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

(i) Initial Funds and Initial Weights:

Fund	Class	Bloomberg Ticker	ISIN	[Initial] [Component] Weight (per cent.)

(ii) Basket Business Day: [•]

- (iii) Initial Basket Value: [●][Not Applicable]
- (iv) Notional Fund Price: [Applicable] [Not Applicable]
- (v) Initial Reference Level: [] [Not Applicable]
- (vi) Final Reference Level:
- Final Basket Price: [Not Applicable] [Single Price is applicable] [Average Price is applicable]
 - Final Basket Portfolio Interest Price: [Not Applicable] [Single Price is applicable] [Average Price is applicable]
- (vii) No Weight Rebalancing: [Not Applicable][Applicable]
- (viii) Standard Weight Rebalancing: [Not Applicable][Applicable]
- (If not applicable, delete the rest of this paragraph)*
- (a) Weight Rebalancing Date: [●]
- (ix) Active Weight Rebalancing: [Not Applicable][Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Active Weight Rebalancing Entity: [●]
- (b) Weight Rebalancing Date: [●]
- (c) Active Weight Rebalancing Written Notice: [●]
- (unless specified is 100 calendar days)
- (d) Investment Restrictions: [●]
- (e) Fallback Active Weight Rebalancing: [●]
- (x) Standard Weight Rebalancing subject to Thresholds: [Not Applicable][Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Weight Rebalancing Date: [●]

- (b) Threshold: [•]
- (xi) Other Weight Rebalancing: [Not Applicable][Applicable]
(If not applicable, delete rest of this paragraph)
- Weight Rebalancing Date: [•]
[insert provisions in relation to Other Weight Rebalancing]

(xii) Replacement Funds:

Replacement Fund	Class	Bloomberg Ticker	ISIN

[31.] **Credit Linked Notes Provisions:** [Applicable] [Not Applicable]

[The following apply to Credit Linked Notes only (If not applicable, delete the remaining sub-paragraphs of this paragraph)]

(i) Type of Notes: [Single Name Credit Linked Notes/First-to-Default Credit Linked Notes/Nth-to-Default Credit Linked Notes*/Linear Basket Credit-Linked Notes]

[Where the Notes are Nth-to-Default Credit Linked Notes, specify the value of N, e.g. "Second-to-Default Credit Linked Notes"]

(ii) Settlement Basis: [Cash Settlement/Physical Settlement/Auction Settlement or Physical Settlement/Cash Settlement or Physical Settlement or Auction Settlement] [As per Physical Settlement Matrix]

[Cash Settlement ONLY for Single Name Credit Linked Notes, First-to-Default Credit Linked Notes or Nth-to-

Default Credit Linked Notes

- Fallback Settlement Basis: [Cash Settlement/Physical Settlement/Not Applicable] [As per Physical Settlement Matrix]
- [Cash Settlement ONLY for Single Name Credit Linked Notes, First-to-Default Credit Linked Notes or Nth-to-Default Credit Linked Notes]
- (iii) Reference Entity/ies: [Specify]
- [Where the Notes are Linear Basket Credit Linked Notes, specify the value of the Related Nominal Amount for each Reference Entity]
- (iv) Transaction Type: [Specify] [Not Applicable]
- (v) Transaction Type Standard Terms: [Specify] [Not Applicable]
- (vi) Reference Obligation(s): [CUSIP/ISIN: [*]] [None]
- [Standard Reference Obligation: [Applicable] [Not Applicable]]
- (vii) Non-Reference Entity Original Non-Standard Reference Obligation: [Applicable – the Reference Obligation(s) specified above will constitute [a] valid Original Non-Standard Reference Obligation(s).] [Not Applicable]
- (viii) Seniority Level: [Senior Level]] Subordinated Level]] [Not Specified]
- (ix) All Guarantees: [Applicable] [Not applicable] [As per Physical Settlement Matrix]
- (x) Credit Events: [Bankruptcy]
- [Failure to Pay]
- [Payment Requirement: [U.S.\$1,000,000] [] or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay]
- [Obligation Acceleration]

[Obligation Default]

[Repudiation/Moratorium]

[Restructuring]

[Mod R is applicable] [Mod Mod R is applicable]

[Governmental Intervention]

[Default Requirement:
[U.S.\$10,000,000] [] or its equivalent
in the relevant Obligation Currency as
of the occurrence of the relevant
Credit Event]]

[Multiple Holder
Obligation:[Applicable] [Not
Applicable]]

Notifying Party: *[specify]*

Financial Reference Entity Terms: [Applicable][Not Applicable]

Subordinated European Insurance Terms: [Applicable][Not Applicable]

(xi) Notice of Publicly Available Information applicable to:

(a) Repudiation/ Moratorium Extension Condition: [Yes] [No]

(b) Grace Period Extension Condition: [Yes] [No]

(c) Public Source: [As specified in Credit Linked Condition 5] *[specify]*

(d) Specified Number: [As specified in Credit Linked Condition 5] *[specify]*

(xii) Grace Period Extension: [Applicable][Not Applicable]

(xiii) Grace Period: [] days

[Not Applicable]

[If Grace Period Extension is applicable, consider whether or not to specify the number of days in the Grace Period. If a number of days is

not so specified (in which case the paragraph may be deleted), the Grace Period will be the lesser of the applicable grace period with respect to the relevant Obligation and 30 calendar days.]

[As per Physical Settlement Matrix]

- (xiv) Credit Observation Start Date: [] [Not Applicable]
- (xv) Scheduled Observation End Date: [Not Applicable] [] [(Specify if subject to adjustment in accordance with a Business Day Convention)]
- (xvi) Interest Payment Date Postponement: [Applicable (if Interest Payment Dates are to be delayed pending resolution of Potential Failure to Pay)]
[Not Applicable]
- (xvii) Repudiation/Moratorium Scheduled Maturity Date Postponement: [Applicable (if Interest Payment Dates are to be delayed pending resolution of Potential Repudiation/Moratorium)]
[Not Applicable]
- (xviii) Obligation Category: [Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan] [Select only one]
[As per Physical Settlement Matrix]
- (xix) Obligation Characteristics: [Not Subordinated Specified Currency] [Not Sovereign Lender] [Not Domestic Currency] [Not Domestic Law] [Listed] [Not Domestic Issuance] [None] [Specified Currency]
[Select all that apply]
[As per Physical Settlement Matrix]
- (xx) Excluded Obligation(s): [] [Not Applicable]
- (xxi) Terms relating to Cash Settlement: [Applicable] [Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this

paragraph)

- Cash Settlement Date: [[] Business Days following the calculation of the Final Price] [Not Applicable]

- Cash Settlement Amount: [] [Not Applicable]

- Valuation Method: [Highest] [Market] [Average Highest] [Average Market] [Not Applicable]

(Only required if no Cash Settlement Amount is specified)

[Specify] [Not Applicable]

[Specify] [Not Applicable]

- Single Valuation Date: [Specify number of Valuation Dates]

- Multiple Valuation Date:

- Valuation Dates:

- Final Price: [] [Not Applicable]

- Quotation Amount: [[€][\$] []]

[Delete paragraph if Quotation Amount is the outstanding principal balance of the Reference Obligation.]

- Quotation Dealer: [Specify] [as specified in Credit Linked Condition 14]

- Minimum Quotation Amount: [Specify] [as specified in Credit Linked Condition 14]

- Quotation Method: [Bid/Offer/Mid-market] [as specified in Credit Linked Condition 14]

- Valuation Time: [Specify]

(xxii) Terms relating to Auction Cash Settlement: [Applicable] [Not Applicable]

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

- Auction Cash Settlement Amount: [] [Not Applicable]

- Auction Cash Settlement [] [Not Applicable]

Date:

(xxiii)

[Applicable][Not Applicable]

Terms relating to Physical Settlement:

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

- Asset Package Delivery: [Applicable] [Not Applicable]
- Physical Settlement Date: [[] Business Days after the date of delivery of the Notice of Physical Settlement] [As per Physical Settlement Matrix]
- Physical Settlement Period: [*Specify*] [As specified in Credit Linked Condition 14]
- Partial Cash Settlement Date: [] [Not Applicable]
- Partial Cash Settlement Amount: [] [Not Applicable]
- Deliverable Obligation Category: [Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan] [*Select only one*]
[As per Physical Settlement Matrix]
- Deliverable Obligation Characteristics: [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] [Not Bearer]
[*Select all that apply*]
[As per Physical Settlement Matrix]
[The Maximum Maturity is [*specify*]]
- Excluded Deliverable Obligation(s): [] [Not Applicable]
- Entity Type: [*Specify*] [Not Applicable]

- Physical Settlement Matrix: [Specify] [Not Applicable]
- Method of Delivery: [As specified in Credit Linked Condition 5] [specify]
- (xxiv) Specified Currencies: [Specify]
- (xxv) Quotations: [Include Accrued Interest] [Exclude Accrued Interest]
- (xxvi) Hedge Unwind Adjustment: [Applicable] [Not Applicable]
- (xxvii) Business Day(s): [Specify] [Not Applicable] [As per Physical Settlement Matrix]
- (xxviii) Succession Event Backstop Date: [*(Specify if subject to adjustment in accordance with a Business Day Convention)*] [Not Applicable]
- (xxix) Minimum Quotation Amount: [] [Not Applicable]
- (xxx) Domestic Currency: [] [Not Applicable]
- (xxxi) Qualifying Participation Seller [] [Not Applicable]
- (xxxii) Extended Maturity Date: [As specified in Credit Linked Condition 14] [specify]
- (xxxiii) Extension Date: [As specified in Credit Linked Condition 14] [specify]
- (xxxiv) Outstanding Principal Balance: [As specified in Credit Linked Condition 14] [specify]
- (xxxv) Trade Date (for the purposes of the Credit Linked Conditions): [specify]

[31.] **Inflation Linked Provisions** [Applicable] [Not Applicable]

[The following apply to Inflation Linked Notes only: *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Reference Item:
 - Index: [Specify]
 - Index Sponsor: [] [The definition in Condition 2 of the Inflation Linked Conditions shall apply]

- (ii) Related Bond: [Applicable] [Not Applicable] *(if applicable and if nothing further is specified then it will be the Fallback Bond)*
- Issuer of Related Bond: [] [Not Applicable]
- Related Bond Redemption Event: [] [Not Applicable]
- (iii) Averaging: [] [Not Applicable]
- Averaging Dates: [] [Not Applicable]
- (iv) Observation Date: [] [Not Applicable]
- (v) Expiration Date: [] [Not Applicable]
- (vi) Strike Date: [] [Not Applicable]
- (vii) Strike Price: [] [Not Applicable]
- (viii) Initial Reference Level []
- (viii) Observation Period: [] [Not Applicable]
- (ix) Cut-Off Date: In respect of a Determination Date, the day that is [●] Business Days prior to such Determination Date.
- (x) Initial Index Level Month: [The month falling [●] months prior to the month in which the relevant Interest Period ends] *[Insert other time period for Index reporting]* [Not Applicable]
- (xi) Final Index Level Month: [The month falling [●] months prior to the month in which the relevant Interest Period ends] *[Insert other time period for Index reporting]* [Not Applicable]

[31.] **Commodity Linked Provisions** [Applicable] [Not Applicable]

[The following apply to Commodity Linked Notes where the Notes are linked to a single commodity or commodity future only and, if applicable, are to be completed for each commodity or commodity future: (If not applicable, delete the remaining sub-paragraphs of this paragraph)]

- (i) Reference Item:
- Specified Commodity: [●]

- Commodity Reference Price: [●] [*specify successor and fallback provisions*]
 - Price Source/Reference Dealers: [●]
 - Currency: [●]
 - Specified Price: [●]
 - Delivery Dates: [●]
- (ii) Automatic Early Redemption: [Applicable] [Not Applicable]
- [*If not applicable, delete the automatic early redemption provisions which follow*]
- - Automatic Early Redemption Amount: [] [Not Applicable]
 - - Automatic Early Redemption Date(s): [] [Not Applicable] [*If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event*]
 - - Automatic Early Redemption Event: [] [specify]
 - - Automatic Early Redemption Price: [] [Not Applicable]
 - - Automatic Early Redemption Rate: [] [Not Applicable]
 - - Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (iii) Averaging Dates: [] [Not Applicable]
- (iv) Pricing Date(s): [●]
- (v) Strike Date: [●][Not Applicable]
- (vi) Initial Reference Level: [●][Not Applicable]
- (vii) Price Materiality Percentage: [●][Not Applicable]
- (viii) Exchange: []
- (ix) Market Disruption Events: [Price Source Disruption]
[Trading Disruption]

[Disappearance of Commodity Reference Price]

[[*(except in relation to Bullion)*]
Material Change in Formula]

[[*(except in relation to Bullion)*]
Material Change in Content]

[Tax Disruption]

[Not Applicable]

(delete as applicable)

(x) Disruption Fallback:

[[Fallback Reference Dealers]

[Fallback Reference Price]

[Postponement]

[Calculation Agent Determination]

[Delayed Publication or Announcement]

(delete as applicable and place in preferred order)]

[In the following order:

(a) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days or, in the case of Bullion, two consecutive Bullion Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Commodity Price within those two consecutive Commodity Business Days or Bullion Business Days (as applicable)); and

(b) Calculation Agent Determination.]

- (xi) Observation Date(s): [] [Not Applicable]
- (xii) Observation Period: [The period from and including the Issue Date, Strike Date or [●] to and including [●]]
- [Not Applicable]

[31.] *[The following apply to Commodity Linked Notes where the Notes are linked to a Basket of commodities and/or commodity futures only:*

- (i) Reference Item:

“Basket” means a basket composed of commodities and/or commodity futures in the relative proportions specified below:

[Insert the following details in respect of each Component:

- Component []
- Component Weight(s) []
- Commodity Reference Price: [●] [specify successor and fallback provisions]
- Price Source/Reference Dealers: []
- Currency: []
- Specified Price: []
- Delivery Dates: []
- Exchange []
- Price Materiality Percentage: [] [Not Applicable]

- (ii) Automatic Early Redemption: [Applicable] [Not Applicable]
- [If not applicable, delete the automatic early redemption provisions which follow]*
- Automatic Early Redemption Amount: [] [Not Applicable]
 - Automatic Early Redemption Date(s): [] [Not Applicable] *[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
 - Automatic Early Redemption Event: *[specify whether the Automatic Early Redemption Event is triggered by the Price of one or more Shares in the Basket; specify the applicable Share(s)]*
 [greater than/ greater than or equal to/
 less than/ less than or equal to]
 [complete as appropriate]
 - Automatic Early Redemption Price(s): [] [Not Applicable]
 - Automatic Early Redemption Rate: [] [Not Applicable]
 - Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (iii) Averaging Dates: [] [Not Applicable]
- (iv) Pricing Date(s): [●]
- (v) Strike Date: [●][Not Applicable]
- (vi) Initial Reference Level: [●][Not Applicable]
- (vii) Market Disruption Events: [Price Source Disruption]
 [Trading Disruption]
 [Disappearance of Commodity Reference Price]
[[except in relation to Bullion]]
 Material Change in
 Formula]

- [[*(except in relation to Bullion)*]
Material Change in Content]
- [Tax Disruption]
- [Not Applicable]
- (delete as applicable)*
- (viii) Disruption Fallback: [[Fallback Reference Dealers]
- [Fallback Reference Price]
- [Postponement]
- [Calculation Agent Determination]
- [Delayed Publication or Announcement]
- (delete as applicable and place in preferred order)]*
- [In the following order:
- (a) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days or, in the case of Bullion, [two][eight] consecutive Bullion Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Commodity Price within those two consecutive Commodity Business Days or Bullion Business Days (as applicable)); and
- (b) Calculation Agent Determination.]
- (ix) Observation Date(s): [] [Not Applicable]
- (x) Observation Period: [The period from and including the Issue Date, Strike Date or [●] to and including [●]]

[Not Applicable]

[31.] **Debt Linked Notes Provisions** [Applicable] [Not Applicable]

[The following apply to Debt Linked Notes where the Notes are linked to a single debt instrument only and, if applicable, are to be completed for each single debt instrument: (If not applicable, delete the remaining sub-paragraphs of this paragraph)]

- (i) Reference Item: []
- Debt Issuer: []
- Debt Instruments: [name and short description of type of Debt Instruments] issued by the Debt Issuer (ISIN: [●]).
- (ii) [Automatic Early Redemption: [Applicable/ Not Applicable] *[If not applicable, delete the automatic early redemption provisions which follow]*
- Automatic Early Redemption Amount: [] [Not Applicable]
- Automatic Early Redemption Date(s): [] [Not Applicable] *[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: [greater than/greater than or equal to/less than/less than or equal to/[*]]
- Automatic Early Redemption Price: [] [Not Applicable]
- Automatic Early Redemption Rate: [] [Not Applicable]
- Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (iii) Averaging: [Applicable] [Not Applicable]
- Averaging Dates: [] [Not Applicable]
- (iv) Business Day: [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general

business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open].

- (v) Price Source: [specify]
 - Exchange [] [Not Applicable]
- (vi) Valuation Date: [] [Not Applicable]
- (vii) Initial Reference Level: [] [(if level not determined by reference to Final Bid Price on the Strike Date)] [Not Applicable]
- (viii) Strike Date: [] [Not Applicable]
- (ix) Valuation Time: []

[31.] [The following apply to Debt Linked Notes where the Notes are linked to a Basket of Debt Instruments only:

- (i) Reference Item: []
 - Debt Issuer: []
 - Shares: “Basket” means a basket composed of Debt Instruments in the relative proportions specified below:
 [Insert details of:
 - Debt Issuer
 - name and short description of type of shares
 - Component Weights
 - ISIN number
- (ii) Automatic Early Redemption: [Applicable][Not Applicable] [If not applicable, delete the automatic early redemption provisions which follow]
 - Automatic Early Redemption Amount: [] [Not Applicable]
 - Automatic Early Redemption Date(s): [] [Not Applicable] [If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then

specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]

- Automatic Early Redemption Event: *[specify whether the Automatic Early Redemption Event is triggered by the Price of one or more Shares in the Basket; specify the applicable Share(s)]*

[greater than/ greater than or equal to/ less than/ less than or equal to] [complete as appropriate]

- Automatic Early Redemption Price(s): [] [Not Applicable]

- Automatic Early Redemption Rate: [] [Not Applicable]

- Automatic Early Redemption Valuation Date(s): [] [Not Applicable]

(iii) Averaging: [Applicable] [Not Applicable]

- Averaging Dates: [] [Not Applicable]

(iv) Business Day: [A day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET system is open].

(v) Price Source: *[specify]*

- Exchange [] [Not Applicable]

(vi) Valuation Date: [] [Not Applicable]

(vii) Initial Reference Level: [] *[(if level not determined by reference to Final Bid Price on the Strike Date)]* [Not Applicable]

(viii) Strike Date: [] [Not Applicable]

(ix) Valuation Time: []

[31.] **Interest Rate Linked Notes Provisions:** [Applicable] [Not Applicable]

[The following apply to Interest Rate Linked (If not applicable, delete the remaining

Notes only and, if applicable, are to be sub-paragraphs of this paragraph) completed for each interest rate:

- (i) Reference Item:
- Underlying Reference Rate: [specify]
(Either LIBOR, EURIBOR or other)[specify]
 - Underlying Margin: [Plus] [Minus] [specify]
- (ii) Underlying Interest Determination Date(s): [] [The Valuation Date] [Each Averaging Date]
- (iii) Manner in which the Underlying Reference Rate is to be determined [Screen Rate Determination] [ISDA Determination]
- (iv) Screen Rate Determination: [Applicable] [Not Applicable] [*If not applicable, delete the provisions which follow*]
- Relevant Time: [specify]
(which will be 11:00 am, London time, in the case of LIBOR, or 11:00 am, Brussels time, in the case of EURIBOR)
 - Relevant Screen Page: [specify]
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
 - Relevant Financial Centre: [specify]
- (v) • ISDA Determination: [Applicable] [Not Applicable] [*If not applicable, delete the provisions which follow*]
- Floating Rate Option: [specify]
 - Designed Maturity: [specify]
 - Reset Date: [specify]
- (vi) [Automatic Early Redemption: [Applicable] [Not Applicable] [*If not applicable, delete the automatic early*

redemption provisions which follow]

- Automatic Early Redemption Amount: [] [Not Applicable]
- Automatic Early Redemption Date(s): [] [Not Applicable] *[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: [greater than/greater than or equal to/less than/less than or equal to/*]
- Automatic Early Redemption Price: [] [Not Applicable]
- Automatic Early Redemption Rate: [] [Not Applicable]
- Automatic Early Redemption Valuation Date(s): [] [Not Applicable]
- (vii) Averaging: [Applicable] [Not Applicable]
 - Averaging Dates: [] [Not Applicable]
- (viii) Business Day: [A day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open].
- (x) Valuation Date: [] [Not Applicable]
- (xi) Initial Reference Level: [] *(if level not determined by reference to Strike Date)* [Not Applicable]
- (xii) Strike Date: [] [Not Applicable]
- (xiii) Valuation Time: []

[31.] **FX Linked Notes Provisions**

[Applicable] [Not Applicable]

[The following apply to FX Linked Notes only and, (If not applicable, delete the remaining sub-paragraphs of this reference item: paragraph)]

- (i) Reference Item:
- Base Currency/Subject Currency: [●]
 - Currency Price: [●] [As specified in the FX Linked Conditions]
- (ii) Initial Reference Price: []
- (iii) FX Market Disruption Event(s):
- Inconvertibility Event: [Applicable] [Not Applicable]
 - Price Materiality Event: [Applicable. Price Materiality Percentage: [●]] [Not Applicable]
 - Non-Transferability Event: [Applicable] [Not Applicable]
- (iv) Disruption Fallbacks:
- (Specify the applicable Disruption Fallbacks in the order that they will apply)*
- [Calculation Agent Determination]
- [Currency-Reference Dealers
Reference Dealers: [four] ([*])]
- [EM Fallback Valuation
Postponement]
- [EM Valuation Postponement]
- [Fallback Reference Price
Fallback Reference Price: [●]]
- [Other Published Sources]
- [Postponement
Maximum Days of Postponement:
[5]]
- (v) FX Price Source(s): [●]
- (vi) Specified Financial Centre(s): [●]
- (vii) Averaging: [Applicable. The Averaging Dates are [●]] [Not Applicable]
- (viii) Valuation Date(s): [●]
- (ix) Valuation Time: [●]

- (x) Weighting: [Not Applicable] [The weighting to be applied to each item comprising the Basket to ascertain the Currency Price is [●]] (*N.B. Only applicable in relation to FX Linked Notes relating to a Basket*)
- (xi) EM Currency Provisions: [Applicable] [Not Applicable]
- Unscheduled Holiday: [Applicable. Maximum Days of Deferral: [●]] [Not Applicable]
- EM Valuation Postponement: [Applicable. Maximum Days of EM Valuation Postponement: [●]] [Not Applicable]
- EM Fallback Valuation Postponement: [Applicable. Fallback Maximum Period of Postponement: [As specified in the FX Linked Conditions] [Not Applicable]]
- Cumulative Events: [Applicable. Maximum Days of Cumulative Postponement: [●]] [Not Applicable]
- (xii) Successor Currency: [Applicable] [Not Applicable] [Issue Date]
- (xiii) Rebasing: [Applicable] [Not Applicable]
- (xiv) Additional Disruption Events: [Not Applicable] [The following Additional Disruption Events apply to the Notes:

[Change in Law]

[Hedging Disruption]

[Increased Cost of Hedging]]

[31.] **Physical Delivery Notes Provisions**

[Applicable] [Not Applicable]

[*The following apply to Physical Delivery Notes only:*

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

[The Physical Delivery Note Conditions for Physical Delivery Notes shall apply.]

(i) Relevant Asset(s):

[]

- (ii) Entitlement:
- (iii) Cut-Off Date:
[Insert such date prior to the Maturity Date to allow for the delivery of the type of assets which comprises the Entitlement]
- (iv) Guaranteed Cash Settlement Amount: [As specified in Base Condition 2][
- (v) Failure to Deliver due to Illiquidity: [Applicable/Not Applicable]
- (vi) Delivery provisions for Entitlement (if different from Physical Delivery Note Conditions): [Not Applicable]
- (vii) Settlement Business Day:
- (viii) Issuer's option to vary Settlement: [Applicable/Not Applicable]

RESPONSIBILITY [AND THIRD PARTY INFORMATION]

[The Issuer [and the Guarantor] accept(s) responsibility for the information contained in these Final Terms.]
 [The information contained in these Final Terms [] has been extracted from []. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:.....

By:

Duly authorised

Duly authorised

[Signed on behalf of the Guarantor:

By:.....

By:

Duly authorised

Duly authorised]

PART B – OTHER INFORMATION

1. **APPLICATION AND ADMISSION TO TRADING⁵:** [Not Applicable]
- (i) Listing: [Official List of Irish Stock Exchange/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market*] with effect from []] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market*] with effect from [].] [Not applicable]
- (Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- [(iii) [Estimate of total expenses related to admission to trading: [] [Not Applicable]
2. **RATINGS** [Not Applicable]
- Ratings: [The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*].
- [Depending on the status of the credit rating agency with respect to the CRA Regulation, the wording below should be considered.]*
- [[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended). As such [*insert the legal name of the relevant credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation – see www.esma.europa.eu/page/List-registered-and-certified-CRAs .]*
- [[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the*

⁵ Include only where listing of Notes is anticipated.

European Union and it is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). *[Insert the legal name of the relevant non-EU credit rating agency entity]* is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

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

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”), but it *[is]/[has applied to be]* certified in accordance with such Regulation *[and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation – see www.esma.europa.eu/page/List-registered-and-certified-CRAs]* *[although notification of the corresponding certification decision has not yet been provided by the relevant competent authority and *[insert the legal name of the relevant non-EU credit rating agency entity]* is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its*

website in accordance with the CRA Regulation].]

[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). However, the application for registration under the CRA Regulation of [*insert the legal name of the relevant EU credit rating agency entity that applied for registration*], which is established in the European Union, disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency entity*][, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

3. **NOTIFICATION**

[Not applicable.] / [The CBI [has been requested to provide/has provided – *include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus [and the supplement thereto dated []] has been drawn up in accordance with the Prospectus Directive.]

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

[Not applicable] [[Save for the fees payable to the managers], so far as the Issuer is

aware, no person involved in the [issue/offer] of the Notes has an interest material to the issue/offer.] *[Amend as appropriate if there are other interests].*

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

[(i) Reasons for the offer [Not Applicable] [] (*See [“Use of Proceeds”] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)]

[(ii) Estimated net proceeds: [Not applicable] []
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.) *

(iii) Estimated total expenses: [Not applicable] []
[Include breakdown of expenses.]

6. **YIELD** [Applicable/Not applicable]
(If not applicable, delete the remaining subparagraph of this paragraph)

Indication of yield: []

7. **HISTORIC INTEREST RATES[Floating Rate only]** [Applicable/Not applicable]
(If not applicable, delete the remaining subparagraph of this paragraph)

Details of historic [EURIBOR/LIBOR/LIBID/LIMEAN/relevant yield of Government securities/relevant swap rate] rates can be obtained from [Reuters][].] *(specify for each Floating Rate Period)*

[8.] **INFORMATION RELATING TO THE UNDERLYING** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(specify the following information for each Reference Item)

[Information on the past and future performance of [the Reference Item] [Reference Item 1] [Reference Item 2] [the Components comprising the Basket] and [its] [their] volatility can be obtained [on the public website on www. [] [] [and on the [Bloomberg] or [Reuters] page. [NB ensure such page is given there] *[If no public information exists, insert: at the offices of [insert address/telephone number]*

[If the underlying is an index or basket of indices, insert:

The sponsor of the, or each, index composing the Reference Item also maintains an Internet Site at the following address where further information may be available in respect of the Reference Item.

Name of Index Sponsor Website

[Insert relevant disclaimer for each index:]

[9.] **OPERATIONAL INFORMATION**

ISIN: []

Common Code: []

New Global Note intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper.][*include this text for registered notes*] and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

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

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant [Not Applicable/*give name(s) and number(s)*]

identification number(s):

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [] [Not Applicable]

10. **DISTRIBUTION*** [Not Applicable]

(i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names and addresses and underwriting commitments]

(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)

[(ii) [Date of [Subscription] Agreement: [Not Applicable / []]

(ii[i) Stabilising Manager(s) (if any): [Not Applicable/give name]

If non-syndicated, name of Dealer: [Not Applicable/give name]

US Selling Restrictions: [Reg. S Compliance Category; TEFRA C/ TEFRA D/ TEFRA not applicable]

Non-exempt offer: [Not Applicable] [An offer of the Notes may be made by the Managers and [specify if applicable] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported] (“**Public Offer Jurisdictions**”) during the period from [specify date] until [specify date] (“**Offer Period**”). See further Paragraph 11 (*Terms and Conditions of the Offer*) of Part B below.

11. **TERMS AND CONDITIONS OF THE OFFER*** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-

* Delete if the Notes are issued in denominations of Euro 100,000 or more.

* Delete if the Notes are issued in denominations of Euro 100,000 or more.

paragraphs of this paragraph)

Offer Period:	[] to []
Offer Amount:	[] [provided that, during the Offer Period, the Issuer will be entitled [(following consultation with the relevant Dealer(s))] to increase such Offer amount up to []] [provided [further] that, during the Offer Period the Issuer will be entitled [(following consultation with the relevant Dealer(s))] to extend the length of the Offer Period]. The Issuer [and the relevant Dealer(s)] shall forthwith give notice of any such [increase] [and/or] [extension] pursuant to Base Condition 12 (<i>Notices</i>) of the Base Terms and Conditions of the Notes and comply with any applicable laws and regulations.]
Offer Price:	[Issue Price][<i>specify</i>]
Conditions to which the offer is subject:	[Not Applicable/ <i>give details</i>]
Description of the application process:	[Not Applicable/ <i>give details</i>]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/ <i>give details</i>]
Details of the minimum and/or maximum amount of application:	[Not Applicable/ <i>give details</i>]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/ <i>give details</i>]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/ <i>give details</i>]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/ <i>give details</i>]
Process for notification to applicants of the amount allotted and the indication whether dealing	[Not Applicable/ <i>give details</i>]

may begin before notification is made:

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/*give details*]

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

12. **CONSENT TO THE USE OF PROSPECTUS** [Applicable/Not Applicable]

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

Consent to use of Base Prospectus: [The Issuer consents to the use of the Base Prospectus by all financial intermediaries (general consent).]

[General consent for the subsequent resale or final placement of the Notes by the financial intermediary[y][ies] is given in relation to [].]

[The Issuer consents to the use of the Base Prospectus by the following financial intermediary[y][ies] (individual consent): *[insert names] and address[es]*].]

[Individual consent for the subsequent resale or final placement of the Notes by the financial intermediary[y][ies] is given in relation to [] to *[insert names] and address[es]* and *[give details]*.

[Such consent is also subject to and given under condition []]

[The subsequent resale or final placement of the Notes by financial intermediaries can be made [as long as the Base Prospectus is valid in accordance with article 9 of the Prospectus Directive] [].]

13. **SECONDARY MARKET PRICING** [Applicable/Not Applicable]

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

In the event that the Issuer decides to purchase the Notes from the Noteholder prior to the Maturity Date, the secondary market pricing provided by the

Issuer on the Notes will reflect [] (*give details of hedge unwinding costs and/or missing profit of the hedging portfolio*)

PART C – OTHER APPLICABLE TERMS

[Insert other relevant information and provisions in accordance with Annex XXI of Regulation 2004/809/EC, such as (i) additional provisions, not required by the relevant securities notes, relating to the underlying country(ies) where the offer(s) to the public takes place, (ii) country(ies) where admission to trading on the regulated market(s) is being sought, (iii) country(ies) into which the relevant base prospectus has been notified, (iv) series number, (v) tranche number. Delete if not required]

PART D – SUMMARY OF THE SPECIFIC ISSUE

[Insert Summary of the specific issue]

SCHEDULE 2

CHAPTER 6 "CREDIT LINKED NOTES"

CHAPTER 6 – CREDIT LINKED NOTES

GENERAL TERMS FOR CREDIT LINKED NOTES

The terms and conditions applicable to Credit Linked Notes issued by the Issuer shall comprise the Terms and Conditions set out in Chapter 2 (the “**Base Conditions**”) and the specific terms and conditions set out below (the “**Credit Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. The Final Terms shall comprise the general form of Final Terms set out in Part 2 of Chapter 2 completed to reflect the particular terms of the relevant Notes and their issue. In the event of any inconsistency between the Base Conditions and the Credit Linked Conditions, the Credit Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Credit Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1. FINAL REDEMPTION AMOUNT AND MATURITY DATE

Base Condition 4(b) (*Maturities/Final Redemption*) shall not apply and instead the provisions of this Credit Linked Condition 1 shall apply.

- a) For the purposes of the Credit Linked Notes, “Scheduled Maturity Date” means the original Maturity Date specified in paragraph 7 of the Final Terms.
- b) Unless either (i) the Notes have been previously redeemed or purchased and cancelled, or (ii) the provisions of Credit Linked Condition 2 apply, the Issuer will redeem each of the Notes on the Scheduled Maturity Date in an amount equal to its Final Redemption Amount on the Scheduled Maturity Date.
- c) The Calculation Agent may deliver an Extension Notice at any time prior to the Scheduled Maturity Date in accordance with Credit Linked Condition 9(d). As soon as reasonably practicable after receiving an Extension Notice from the Calculation Agent, the Issuer shall promptly inform the Fiscal Agent and the Noteholders in accordance with Base Condition 12 (*Notices*).

2. REDEMPTION UPON THE OCCURRENCE OF A CREDIT EVENT

- a) Subject to Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*), if a Credit Event occurs during the Credit Observation Period and in respect thereof a Credit Event Determination Date occurs, the Issuer shall redeem each Note in whole or, if the Notes are Linear Basket Credit Linked Notes, in part as follows:
 - (i) if (A) “Cash Settlement” is specified as the Settlement Basis in the applicable Final Terms or (B) “Cash or Physical Settlement” or “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms and Cash Settlement is elected by the Issuer in the Issuer Credit Event Notice (as defined below) or (C) “Cash Settlement” is specified as the Fallback Settlement Basis and the provisions of Credit Linked Condition 6 (*Auction Settlement*) requires that the Issuer redeem the Credit Linked Notes in accordance with Credit Linked Condition 4 (*Cash Settlement*), by payment on the Cash Settlement Date of the Cash Settlement Amount;
 - (ii) if (A) “Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms or (B) “Cash or Physical Settlement” or “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms and Physical Settlement is elected by the Issuer in the Issuer Credit Event Notice or (C) “Physical

Settlement” is specified as the Fallback Settlement Basis and the provisions of Credit Linked Condition 6 (*Auction Settlement*) requires that the Issuer redeem the Credit Linked Notes in accordance with Credit Linked Condition 5 (*Physical Settlement*), by Delivery of the Relevant Proportion of the Deliverable Obligation by the Physical Settlement Date;

(iii) if “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, by payment on or before the Auction Cash Settlement Date of the Auction Cash Settlement Amount;

(iv) if “Cash or Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms, as set out in sub-paragraph (i) or (ii) above at the option of the Issuer in its sole and absolute discretion and notified to Noteholders in the relevant Issuer Credit Event Notice; or

(v) if “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, as set out in sub-paragraph (i), (ii) or (iii) above at the option of the Issuer in its sole and absolute discretion and notified to Noteholders in the relevant Issuer Credit Event Notice,

- b) Upon discharge by the Issuer of such payment or delivery obligation on or before the Cash Settlement Date or the Auction Cash Settlement Date (or, if the Cash Settlement Amount or the Auction Cash Settlement Amount is zero, upon the occurrence of the Cash Settlement Date or the Auction Cash Settlement Date, as the case may be) or on or before by the Physical Settlement Date, as the case may be, or otherwise as provided herein, the Issuer’s obligations in respect of the Notes shall be discharged except to the extent otherwise provided in these Credit Linked Conditions.
- c) If a Credit Event occurs during the Credit Observation Period but no Credit Event Determination Date occurs in respect thereof, the Issuer may elect to redeem each of the Notes in an amount equal to its Final Redemption Amount on either (i) the date which is three Business Days following the Settlement Election End Date (the “**Final Payment Date**”) or subject to the occurrence of any other Credit Event which may occur during the Credit Observation Period (ii) if the Scheduled Maturity Date is later than the Final Payment Date, on the Scheduled Maturity Date (in which case interest (if applicable) shall continue to accrue from the date on which interest ceased to accrue in accordance with Credit Linked Condition 9, any such accrued but unpaid interest being payable on the Interest Payment Date next following the Final Payment Date and to be paid in accordance with the Base Conditions) and the Issuer shall, as soon as reasonably practicable give notice of such election to the Fiscal Agent and the Noteholders in accordance with Base Condition 12 (*Notices*).
- d) If the applicable Final Terms or Issuer Credit Event Notice specifies that Cash Settlement shall apply then the provisions of Credit Linked Condition 4 (*Cash Settlement*) shall apply, if Physical Settlement is so specified then the provisions of Credit Linked Condition 5 (*Physical Settlement*) shall apply and if Auction Settlement is so specified then the provisions of Credit Linked Condition 6 (*Auction Settlement*) shall apply.

3. NOTICES

- a) In accordance with these Credit Linked Conditions, the entity specified as the relevant Notifying Party specified in the Final Terms may deliver a Credit Event Notice and (if applicable) a Notice of Publicly Available Information at any time on or prior to the Settlement Election End Date and the Issuer shall, as soon as reasonably practicable after receipt of a Credit Event Notice (or after having sent a Credit Event Notice, as applicable), give notice (the “**Issuer Credit Event Notice**”) to the Fiscal Agent and the Noteholders in accordance with Base Condition 12 (*Notices*) that a Credit Event Notice has been delivered with respect to the Credit Linked Notes and shall in such notice, if “Cash or Physical Settlement” or “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, specify whether it elects to redeem the Notes by Cash Settlement, Physical Settlement or Auction Settlement (in case of “Cash or Physical Settlement or Auction Settlement”) (and the applicable Fallback Settlement Basis) or by Cash Settlement or Physical Settlement (in case of “Cash or Physical Settlement”).
- b) Where the Notes are Nth-to-Default Credit Linked Notes, the Calculation Agent may deliver a Credit Event Notice and (if applicable) a Notice of Publicly Available Information to the Issuer in respect of a Credit Event having occurred in relation to any of the Reference Entities (whether or not such Credit Event is the first to occur). If a Credit Event occurs with respect to more than one Reference Entity on the same day, the Calculation Agent shall in its sole discretion select which Reference Entity shall be deemed to be subject to the Credit Linked Conditions, if any.
- c) In the case of a Credit Linked Note where “Physical Settlement” is specified as the Settlement Basis in the relevant Final Terms, the Issuer will deliver a Notice of Physical Settlement to the Fiscal Agent and the Noteholders in accordance with Base Condition 12 (*Notices*) prior to the relevant Physical Determination Date. For purposes of determining whether such Notice of Physical Settlement has been so delivered by the Physical Determination Date, the effective date of delivery of the initial Notice of Physical Settlement (whether or not a subsequent NOPS Amendment Notice is delivered in accordance with Credit Linked Condition 5(a)) shall be used.
- d) Where Restructuring is specified in the relevant Final Terms as being an applicable Credit Event, there may be more than one Credit Event Determination Date in respect of the same Reference Entity as further described in Credit Linked Condition 11 (*Restructuring Credit Event*) below. In addition, in the case of a Basket Credit Linked Note, there may be multiple Credit Event Determination Dates but, other than as set out in the preceding sentence, only one Credit Event Determination Date in respect of each Reference Entity. In the case of a Basket Credit Linked Note, a Credit Event Determination Date in respect of more than one Reference Entity may occur on any one date. The provisions set out in these Credit Linked Conditions set out the mechanics that apply in respect of one Reference Entity and shall apply severally to each Reference Entity for a Basket Credit Linked Note.
- e) Where Repudiation/Moratorium and/or Failure to Pay is specified in the relevant Final Terms as being an applicable Credit Event, the Calculation Agent may deliver an Extension Notice to the Issuer in respect of a Potential Repudiation/Moratorium and/or Failure to Pay.
- f) Any Credit Event Notice, Notice of Publicly Available Information, Notice of Physical Settlement, NOPS Amendment Notice or Extension Notice, as the case may be, delivered on or prior to 5:00 p.m. (Milan time) on a Business Day is effective on such date and if delivered after such time or on a day that is not a Business Day, is deemed effective on the next following Business Day.

4. CASH SETTLEMENT

- a) Subject to Credit Linked Condition 7 (*Suspension Terms*) and Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*), if (i) “Cash Settlement” is specified as the Settlement Basis in the applicable Final Terms or (ii) “Cash or Physical Settlement” or “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms and (Cash Settlement is elected by the Issuer in the Issuer Credit Event Notice) or (iii) “Cash Settlement” is specified as the Fallback Settlement Basis and the provisions of Credit Linked Condition 6 (*Auction Settlement*) requires that the Issuer redeem the Credit Linked Notes in accordance with this Credit Linked Condition 4 (*Cash Settlement*), on the Cash Settlement Date the Issuer shall, subject as aforesaid, redeem, in the case of Notes that are not Linear Basket Credit Linked Notes, each Note in whole or, in the case of Notes that are Linear Basket Credit Linked Notes, a portion of the principal amount of each Note equal to the Applicable Redemption Proportion, by payment of the Cash Settlement Amount.
- b) The Cash Settlement Amount in respect of each Note shall be the amount specified as such in the applicable Final Terms (which may be a *pro rata* share of the Recovery Amount) or, if no such amount is specified, an amount determined by the Calculation Agent to be the greater of (a) zero and (b) an amount equal to (i) the Applicable Redemption Proportion multiplied by (ii) the outstanding principal amount of such Note multiplied by (iii) the Final Price of the Reference Obligation(s), provided that if the applicable Final Terms specify that “Hedge Unwind Adjustment” is applicable, then the Cash Settlement Amount or Recovery Amount, as the case may be, shall be adjusted upwards or downwards, as applicable, to reflect the *pro rata* Hedge Unwind Costs. Payment by the Issuer of the Cash Settlement Amount shall fully and effectively discharge the Issuer’s obligation to redeem the Applicable Redemption Proportion of the relevant Note.
- c) If the Cash Settlement Amount is to be determined by reference to the Final Price of the Reference Obligation(s), such Final Price shall be determined in accordance with the Valuation Method specified in the applicable Final Terms, or, if no such Valuation Method is specified, the Final Price shall be determined (i) with respect to one Valuation Date, in accordance with the "Highest" Valuation Method; (ii) with respect to more than one Valuation Date, in accordance with the "Average Highest" Valuation Method. Notwithstanding the foregoing, if Quotations obtained in respect of the Valuation Method include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market or Average Market, as the case may be.
- d) Unless otherwise specified in the relevant Final Terms, the Calculation Agent may select in its sole discretion, in respect of each Defaulted Credit any Valuation Date falling on or after the Credit Event Determination Date and on or before the one hundred and twenty-fifth (125th) Business Day following the Credit Event Determination Date relating to such Defaulted Credit. The Calculation Agent will select as a Valuation Date a day falling on or before the seventy-second (72nd) Business Day following the Credit Event Determination Date unless it determines in good faith that material problems exist in the market place in delivering obligations of the relevant Reference Entity under credit default swap contracts, in which case it may select a Valuation Date falling after the seventy-second (72nd) Business Day, but not later than the one hundred and twenty-fifth (125th) Business Day, after such date.

5. PHYSICAL SETTLEMENT

- a) Subject to Credit Linked Condition 7 (*Suspension Terms*) and Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*), if (i) “Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms or (ii) “Cash or Physical Settlement” or “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms (and Physical Settlement is elected by the Issuer in the Issuer Credit Event Notice) or (iii) “Physical Settlement” is specified as the Fallback Settlement Basis and the provisions of Credit Linked Condition 6 (*Auction Settlement*) requires that the Issuer redeem the Credit Linked Notes in accordance with this Credit Linked Condition 5 (*Physical Settlement*), the Issuer shall, on or before the Physical Determination Date, deliver to the Fiscal Agent and the Noteholders in accordance with Base Condition 12 (*Notices*) a Notice of Physical Settlement. The Issuer may serve a notice (a “**NOPS Amendment Notice**”) to replace, in whole or in part, one or more of the Deliverable Obligations and/or the detailed description of the Deliverable Obligations at any time on or prior to the Physical Settlement Date and the NOPS Amendment Notice served within this period shall override a previous Notice of Physical Settlement or, if applicable, any previous NOPS Amendment Notice(s). The Issuer may correct any errors or inconsistencies in the detailed description of the Deliverable Obligations by notice to the Fiscal Agent and the Noteholders at any time prior to the Delivery Date. IF “Asset Package Delivery” is applicable in the relevant Final Terms, the Issuer shall notify the Noteholders and the Fiscal Agent on the NOPS Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), of the detailed description of the Asset Package, if any, that it intends to Deliver to the Noteholders 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 that such notice shall not constitute a NOPS Amendment Notice.

Unless otherwise specified in the applicable Final Terms, the amount of the Deliverable Obligation(s) in respect of the Notes shall be determined as follows:

- i) i) where the Deliverable Obligation(s) constitute Borrowed Money, the Deliverable Obligations (selected by the Issuer in its sole and absolute discretion and notified to Noteholders in the relevant Notice of Physical Settlement) shall have an aggregate Outstanding Principal Balance (including accrued but unpaid interest (as determined by the Calculation Agent if “Include Accrued Interest” is specified in the applicable Final Terms, but excluding accrued but unpaid interest if “Exclude Accrued Interest” is specified in the applicable Final Terms, and if neither “Include Accrued Interest” nor “Exclude Accrued Interest” is specified in the applicable Final Terms, excluding accrued but unpaid interest) equal to:
- (A) if the Notes are not Linear Basket Credit Linked Notes, the outstanding principal amount of the Notes outstanding as at the related Event Determination Date; or
- (B) if the Notes are Linear Basket Credit Linked Notes, the Related Nominal Amount of the relevant Reference Entity to which the Credit Event relates; or
- ii) ii) where the Deliverable Obligation(s) are not Borrowed Money, the Deliverable Obligations (selected by the Issuer in its sole and absolute discretion and

notified to Noteholders in the relevant Notice of Physical Settlement) shall have a Due and Payable Amount (or the equivalent Currency Amount of any such amount), equal to:

- (A) if the Notes are not Linear Basket Credit Linked Notes, the outstanding principal amount of the Notes outstanding as at the related Event Determination Date; or
- (B) if the Notes are Linear Basket Credit Linked Notes, the Related Nominal Amount of the relevant Reference Entity to which the Credit Event relates.

- b) On or prior to the Physical Settlement Date the Issuer shall, subject to Credit Linked Condition 5(c) and Credit Linked Condition 7 (*Suspension Terms*), redeem, in the case of Notes that are not Linear Basket Notes, each Note in whole or, in the case of the Notes that are Linear Basket Credit Linked Notes, a portion of the principal amount of each Note equal to the Applicable Redemption Proportion, by Delivering to each Noteholder the Relevant Proportion of the Deliverable Obligation(s). In the event that the Issuer, for any reason whatsoever, is unable to effect delivery of the Relevant Proportion of the Deliverable Obligation(s) to any Noteholder by the Physical Settlement Date, the Issuer may continue to attempt such Delivery for an additional sixty (60) Business Days after the Physical Settlement Date. Subject to Credit Linked Condition 5(f), failure by the Issuer to Deliver to a Noteholder the Relevant Proportion of the Deliverable Obligation(s) on or prior to the date that is sixty (60) Business Days after the Physical Settlement Date shall not constitute an Event of Default under the Base Conditions. Delivery of the Relevant Proportion of the Deliverable Obligation(s) by the Issuer pursuant to this Credit Linked Condition 5 (and/or payment of any amounts in connection therewith pursuant to Credit Linked Condition 5(f) and/or 5(i)) shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Redemption Proportion of the relevant Note.
- c) In order to obtain Delivery of the Relevant Proportion of the Deliverable Obligation(s), each Noteholder must deliver to the Issuer or the Paying Agent within five Business Days of the date of delivery of the initial Notice of Physical Settlement (or any subsequent NOPS Amendment Notice, as the case may be) (each such date, a "**Physical Settlement Cut-Off Date**") (i) a duly completed Asset Transfer Notice in accordance with Credit Linked Condition 5(h), the form of which may be obtained from the specified office of the Issuer or the Paying Agent and (ii) in the case of a holding of a Definitive Note, the Note (which expression shall, for the purposes of this Credit Linked Condition 5(c), include Certificate(s) and Receipt(s)). In the event that the Note is represented by a Global Note, an Asset Transfer Notice must be delivered to the Issuer via the relevant clearing system, by such method of delivery as the relevant clearing system shall have approved or such other method as may be specified in the relevant Final Terms.
- d) After delivery of a valid Asset Transfer Notice, no transfers of the Notes specified therein which are represented by a Global Note may be effected by any relevant clearing system.
- e) Upon receipt of a duly completed Asset Transfer Notice and, in the case of Definitive Notes, the Note to which such notice relates, the Issuer, any relevant clearing system or the Paying Agent, as the case may be, shall verify that the person specified therein as the account holder, is the Holder of the Note referred to therein according to its books.

Subject as provided herein, in relation to each Note, the Relevant Proportion of the Deliverable Obligation(s) will be Delivered to the relevant Noteholder at the risk of such Noteholder.

If the Asset Transfer Notice (and with respect to Definitive Notes, the relevant Note) are delivered to the Issuer or the Paying Agent (as the case may be) later than 5:00 p.m. close of business in Milan on the relevant Physical Settlement Cut-Off Date, then the Relevant Proportion of the Deliverable Obligation(s) will be Delivered as soon as practicable after the date on which Delivery of the same would otherwise be made, at the risk of such Noteholder in the manner provided above. For the avoidance of doubt, such Noteholder shall not be entitled to any payment or to other assets, whether in respect of interest or otherwise, in the event of the Delivery of the Relevant Proportion of the Deliverable Obligation(s) taking place after the date on which Delivery of the same would otherwise be made pursuant to the provisions of this Credit Linked Condition 5(e) or otherwise due to circumstances beyond the control of the Issuer.

If the relevant Noteholder fails to deliver an Asset Transfer Notice in the manner set out herein or delivers an Asset Transfer Notice on any day falling after the day that is one hundred and eighty (180) calendar days after the Physical Settlement Cut-Off Date or, in the case of Definitive Notes, fails to deliver the Note related thereto or fails to pay the Delivery Expenses and, if applicable, the Hedge Unwind Costs as referred to in Credit Linked Condition 5(j), the Issuer shall be discharged from its obligations in respect of such Note and shall have no further obligation or liability whatsoever in respect thereof.

f)

i) If due to a force majeure event (such as an act of God, act of State, fire, flood, severe weather conditions, or a labour dispute or shortage) or an event beyond the control of the Issuer a Noteholder or its designated nominee, it is impossible, impracticable or illegal for such Issuer to Deliver or for such Noteholder or nominee to accept Delivery of all, or a portion of, the Relevant Proportion of the Deliverable Obligation(s) (other than, if “Asset Package Delivery” is specified as being applicable in the relevant Final Terms, any Prior Deliverable Obligation or Package Observable Bond) by the Physical Settlement Date (including, without limitation, failure of the relevant clearing system or due to any law, regulation or court order, but not including market conditions or failure to obtain any requisite consent with respect to the Delivery of Loans) then by such date the Issuer or the Noteholder, as applicable, shall provide a description in reasonable detail of the facts giving rise to such impossibility, impracticability or illegality or of the force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or act of state, and the Issuer shall Deliver and such Noteholder or its designated nominee shall take Delivery of that portion (if any) of the Relevant Proportion of the Deliverable Obligation(s) for which it is possible, practicable and legal to take Delivery. As soon as possible thereafter, the Issuer shall Deliver and such Noteholder, its originally designated nominee or any new designated nominee shall take Delivery of the remaining portion of the Relevant Proportion of the Deliverable Obligation(s).

ii) If:

(A) following the occurrence of any impossibility, impracticability or illegality, force majeure event or act of state, referred to in sub-paragraph (i) above, all of the Relevant Proportion of the Deliverable Obligation(s) is not Delivered on or prior to the Latest Permissible Physical Settlement Date (such part of the Relevant

Proportion of the Deliverable Obligation(s) that are not Delivered being “**Undeliverable Obligations**”); or

(B) all or a portion of the Relevant Proportion of the Deliverable Obligation(s) includes Assignable Loans or Consent Required Loans that, due to the non-receipt of any requisite consents, are not, by the Physical Settlement Date, capable of being assigned or novated to any relevant Noteholder or its nominee and such consents are not obtained or deemed to have been given by the Latest Permissible Physical Settlement Date (such loan obligations being “**Undeliverable Loan Obligations**”); or

(C) all or a portion of the Relevant Proportion of the Deliverable Obligation(s) includes Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date (such participations being “**Undeliverable Participations**”),

then Partial Cash Settlement pursuant to sub-paragraph (iii) below shall be deemed to apply with respect to that portion of the Deliverable Obligation(s) that cannot be Delivered for the reasons specified in (A) to (C) above.

iii) On the Partial Cash Settlement Date, the Issuer shall pay to each relevant Noteholder, the Partial Cash Settlement Amount and upon discharge by the Issuer of such payment obligation on the Partial Cash Settlement Date, the Issuer’s obligations in respect of the relevant Note shall be discharged.

g) If, in accordance with Credit Linked Condition 5(d), (e) and (f) above, the Relevant Proportion of the Deliverable Obligation(s) is Delivered later than the Physical Settlement Date, then until Delivery of the Relevant Proportion of the Deliverable Obligation(s) is made to the relevant Noteholder, the Issuer or any person holding such assets on behalf of the Issuer shall continue to be the legal owner of those assets. None of the Issuer and any such other person shall (i) be under any obligation to deliver or procure delivery to such Noteholder or any subsequent transferee any letter, certificate, notice, circular or any other document or payment whatsoever received by that person in its capacity as the holder of such assets, (ii) be under any obligation to exercise or procure the exercise of any or all rights (including voting rights) attaching or appertaining to such assets until the date of Delivery or (iii) be under any liability to such Noteholder or subsequent transferee for any loss, liability, damage, cost or expense that such Noteholder or subsequent transferee may sustain or suffer as a result, whether directly or indirectly, of that person not being the legal owner of such assets until the date of Delivery.

h) An Asset Transfer Notice is, subject as provided below, irrevocable and must:

i) specify the account details or name of the person to whom Delivery of the Relevant Proportion of the Deliverable Obligation(s) is to be made;

ii) specify the nominal amount of Notes or, in the case of Notes that are Linear Basket Credit Linked Notes, the Applicable Redemption Proportion of such Notes, and the number of Notes which are the subject of such notice;

iii) in the event such Notes are represented by a Global Note:

- (A) specify the number of the Noteholder's account at the relevant clearing system to be debited with such Notes; and
 - (B) irrevocably instruct and authorise the relevant clearing system to debit the relevant Noteholder's account with such Notes or, in the case of Notes that are Linear Basket Credit Linked Notes, the Applicable Redemption Proportion of such Notes, on the due date for redemption of the Notes;
- iv) iv) authorise the production of such notice in any applicable administrative or legal proceedings; and
 - v) v) unless otherwise specified in the applicable Final Terms, specify the manner in which Delivery Expenses and Hedge Unwind Costs, if applicable, will be borne by the Noteholders in accordance with Credit Linked Condition 5(j).

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant clearing system or a Paying Agent, as the case may be, as provided above, save where subsequent to such receipt, the Issuer delivers a NOPS Amendment Notice, in which case, the relevant Noteholder may deliver an amended Asset Transfer Notice. After delivery of the first Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

Failure properly to complete and deliver an Asset Transfer Notice and, in the case of Definitive Notes, to deliver the relevant Note, may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these Credit Linked Conditions shall be made by the Issuer, Paying Agent and/or relevant clearing system, as applicable, in its sole and absolute discretion and shall be conclusive and binding on the relevant Noteholder.

If any Noteholder fails to properly complete and deliver an Asset Transfer Notice, the Issuer may in its sole discretion, decide whether to waive the requirement to deliver a properly completed Asset Transfer Notice prior to the relevant Physical Settlement Cut-Off Date for physical delivery in order for such Noteholder to receive the Relevant Proportion of the Deliverable Obligation(s), and shall give notice of such waiver to the relevant clearing system and to the Paying Agent, and other Agent, as applicable.

- i) If the Relevant Proportion of the Deliverable Obligation(s) comprises less than a multiple of a whole number of the Deliverable Obligation(s) at the relevant time, then (i) the Issuer shall not Deliver and the relevant Noteholder shall not be entitled to receive in respect of its Notes that fraction of an asset which is less than a whole number (the "**Fractional Entitlement**") and (ii) the Issuer shall pay to the relevant Noteholder a cash amount (to be paid at the same time as Delivery of the Relevant Proportion of the Deliverable Obligation(s)) equal to the market value (as determined by the Calculation Agent in its sole and absolute discretion) of such Fractional Entitlement.
- j) The costs and expenses including any stamp, registration documentation or similar tax and any transfer or similar fee (the "**Delivery Expenses**") of effecting any Delivery of the Relevant Proportion of the Deliverable Obligation(s) and, if the applicable Final Terms specify that "Hedge Unwind Adjustment" shall apply, a *pro rata* share of the Hedge Unwind Costs, shall, in the

absence of any provision to the contrary in the applicable Final Terms, be borne by the Noteholder and shall, unless otherwise specified in the applicable Final Terms, at the option of each Noteholder as specified in the Asset Transfer Notice either be:

- i) paid to the Issuer by such Noteholder prior to the Delivery of the Relevant Proportion of the Deliverable Obligation(s) (and, for the avoidance of doubt, the Issuer shall not be required to Deliver any portion of the Deliverable Obligation(s) to such Noteholder until it has received such payment); or
- ii) deducted by the Issuer from the amount which may be payable to such Noteholder in accordance with Credit Linked Condition 5(i).

If there is not a cash amount owing from the Issuer under such Note to a Noteholder sufficient to cover the Delivery Expenses and, if applicable, its *pro rata* share of the Hedge Unwind Costs, the Issuer may convert such amount of the Relevant Proportion of the Deliverable Obligation(s) into cash sufficient to cover the Delivery Expenses and, if applicable, a *pro rata* share of the Hedge Unwind Costs, in respect of such Note from which the Issuer shall deduct such amounts. Each Note will then be redeemed by delivery of the remaining portion of the Deliverable Obligation(s) in respect of such Note and, if applicable, payment of a cash amount in respect of any Fractional Entitlement arising, together with any other amounts to which such Noteholder is entitled upon redemption of such Note.

- k) The Issuer shall not be under any obligation to register or procure the registration of any Noteholder or any other person as the registered holder of any of the Deliverable Obligation(s) to be delivered in the register of members or holders of debt securities of any company whose securities form part of the Deliverable Obligation(s). The Issuer shall not be obliged to account to any Noteholder for any entitlement received or receivable in respect of any of the Deliverable Obligation(s) to be delivered if the date on which such are first traded without such entitlement is on or prior to the date of Delivery. The Issuer shall determine, in its sole and absolute discretion, the date on which such assets are so first traded without any such entitlement.

6. AUCTION SETTLEMENT

- a) Subject to Credit Linked Condition 7 (*Suspension Terms*) and Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*), if (i) “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms or (ii) “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms (and Auction Settlement is elected by the Issuer in the Issuer Credit Event Notice), on the Auction Cash Settlement Date the Issuer shall, subject as aforesaid, redeem, in the case of Notes that are not Linear Basket Notes, each Note in whole or, in the case of the Notes that are Linear Basket Credit Linked Notes, a portion of the principal amount of each Note equal to the Applicable Redemption Proportion, by payment of the Auction Cash Settlement Amount.
- b) The Auction Cash Settlement Amount in respect of each Note shall be the amount specified as such in the applicable Final Terms or, if no such amount is specified, an amount determined by the Calculation Agent to be the greater of (a) zero and (b) an amount equal to (i) the Applicable Redemption Proportion multiplied by (ii) the outstanding principal amount of such Note multiplied (iii) by the Auction Final Price, provided that if the applicable Final Terms specify that “Hedge Unwind Adjustment” shall apply, then the Auction Cash Settlement Amount shall be adjusted

upwards or downwards, as applicable, to reflect the pro rata Hedge Unwind Costs. Payment by the Issuer of the Auction Cash Settlement Amount shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Redemption Proportion of the relevant Note.

- c) Without prejudice to the foregoing, but without duplication of settlement, if the Calculation Agent determines:
- i) except where the Issuer delivers a Notice to Exercise Movement Option to the Calculation Agent on or prior to the Movement Option Cut-off Date, that with respect to a Credit Event, no Applicable Auction is being, or will be, held; or
 - ii) with respect to a Credit Event and any relevant Applicable Request, Applicable Resolution and/or Applicable Auction, that (A) an Auction Cancellation Date has occurred, (B) a No Auction Announcement Date has occurred (and, in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraph (b) or (c)(ii) of the definition of No Auction Announcement Date, the Issuer has not exercised the Movement Option), (C) a DC Credit Event Question Dismissal occurs, (D) a Credit Event Determination Date was determined pursuant to sub-paragraph (a)(i) of the definition of Credit Event Determination Date and no relevant Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Credit Event Determination Date, or (E) a Credit Event Determination Date was determined pursuant to sub-paragraph (b)(ii)(B)(II)(y) of the definition of "Non-Standard Event Determination Date", then the Issuer shall, subject to the occurrence of a Credit Event Determination Date on any day on or prior to the Settlement Election End Date, notwithstanding that Auction Settlement is specified as applicable in the relevant Final Terms, redeem each Note in accordance with Credit Linked Condition 4 (if Cash Settlement is specified in the relevant Final Terms as the Fallback Settlement Basis) or in accordance with Credit Linked Condition 5 (if Physical Settlement is specified in the relevant Final Terms as the Fallback Settlement Basis).
- d) If, with respect to an M(M)R Restructuring, the Calculation Agent determines that a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) or (c)(ii) of the definition of No Auction Announcement Date, the Issuer may elect in its sole and absolute discretion to deliver a Notice to Exercise Movement Option to the Calculation Agent at any time on or prior to the Movement Option Cut-off Date. If a Notice to Exercise Movement Option is so delivered, then provided the related Credit Event Determination Date is not reversed on or prior to the relevant Auction Cash Settlement Date, the Notes shall be redeemed on the Auction Cash Settlement Date at their Auction Cash Settlement Amount, for which purposes the Auction Cash Settlement Date and the Auction Cash Settlement Amount shall be determined by reference to the relevant Parallel Auction identified by the Issuer in the Notice to Exercise Movement Option. If a Notice to Exercise Movement Option is delivered by the Issuer, all references in these Credit Linked Conditions to "Applicable Auction", "Applicable Auction Settlement Terms", "Auction Cancellation Date", "Auction Final Price Determination Date" and "Auction Settlement Date" shall be deemed to be references to the "Parallel Auction", "Parallel Auction Settlement Terms", "Parallel Auction Cancellation Date", "Parallel Auction Final Price Determination Date" and "Parallel Auction Settlement Date" and the terms of these Credit Linked Conditions shall be construed accordingly.

7. **SUSPENSION TERMS**

If, following the occurrence of a Credit Event Determination Date but prior to the relevant Final Payment Date, Cash Settlement Date, Physical Settlement Date, a Delivery Date or, to the extent applicable, a Valuation Date, as applicable, there is a DC Credit Event Meeting Announcement, the timing requirements relating to Notices of Physical Settlement and the timing requirements of Credit Linked Conditions 1 to 5 (inclusive), as applicable, or any other provision of these Credit Linked Conditions and the Notes that pertains to redemption and 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 redemption and settlement of the Notes. The relevant timing requirements and redemption and settlement provisions, as applicable, that have previously tolled or been suspended shall resume on the Business Day following the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal, as applicable, with the benefit of the full day notwithstanding when the tolling or suspension began in accordance with this Credit Linked Condition 7. Without prejudice to any amounts payable pursuant to Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*), no additional amounts shall be payable by the Issuer in connection with any such suspension.

8. **REVERSALS AND ADJUSTMENTS TO CREDIT EVENT DETERMINATION DATES**

- a) Notwithstanding anything to the contrary in these Credit Linked Conditions, no Credit Event Determination Date will occur, and any Credit Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that the Calculation Agent determines that, prior to the relevant Auction Final Price Determination Date in respect of an Applicable Auction, a related Valuation Date, any relevant Physical Settlement Date (or, if earlier a Delivery Date), or any other relevant date relating to the redemption of the Notes, as applicable, an Applicable DC No Credit Event Announcement occurs with respect to the relevant Reference Entity or Obligation thereof.
- b) If, following the occurrence of a Credit Event, the related Credit Event Determination Date is deemed to have occurred on a date that is earlier than the date originally determined to be the Credit Event Determination Date for the purposes of the Note as a result of the application of the definition of Credit Event Determination Date and/or any Applicable Request or Applicable Resolution then:
 - i) if the Notes are redeemed pursuant to Credit Linked Condition 4 (*Cash Settlement*) or Credit Linked Condition 6 (*Auction Settlement*), an amount equal to the relevant Adjustment Amount (if any) shall be deducted to the fullest extent possible from the relevant Cash Settlement Amount or Auction Cash Settlement Amount, as applicable; or
 - ii) if the Notes are redeemed pursuant to Credit Linked Condition 5 (*Physical Settlement*), the Adjustment Amount (if any) shall be deemed to be a Delivery Expense for the purposes of Credit Linked Condition 5(j).
- c) Without prejudice to Credit Linked Condition 6(c), if an Applicable DC No Credit Event Announcement occurs following the determination of a Credit Event Determination Date but prior to the related Auction Final Price Determination Date in respect of an Applicable Auction, a related Valuation Date, any related Physical Settlement Date (or, Delivery Date if earlier), or any other relevant date relating to the redemption of the Notes, as applicable, then the Credit Event

Determination Date originally determined for the purposes of the Notes shall be deemed not to have occurred (an “**Credit Event Determination Date Reversal**”). The occurrence of a Credit Event Determination Date Reversal shall not prejudice the occurrence or determination of any subsequent Credit Event Determination Date(s) in relation to the relevant Reference Entity (if applicable). Notwithstanding Credit Linked Condition 9, if a Credit Event Determination Date Reversal occurs, each Note shall recommence to accrue interest (in accordance with the Base Conditions) from the Interest Payment Date (the “**Interest Recommencement Date**”) immediately following the relevant Applicable DC No Credit Event Announcement, and an amount equal to the Additional Interest Amount shall be payable on such Interest Recommencement Date.

9. **INTEREST PAYMENT DATE AND MATURITY DATE POSTPONEMENT**

- a) If Interest Payment Date Postponement is specified as being applicable in the Final Terms and in respect of any Interest Payment Date (including the Scheduled Maturity Date):
- i) a Credit Event Determination Date has occurred on or prior to the relevant Interest Payment Cut-off Date, interest shall cease to accrue on (but excluding) the date of such occurrence, such accrued interest being payable on the Cash Settlement Date, Physical Settlement Date or Auction Cash Settlement Date, as the case may be (and no amount of interest otherwise payable on the relevant Interest Payment Date shall be due or payable), provided that in the event that the Notes are Linear Basket Credit Linked Notes, interest shall cease to accrue only on the relevant Applicable Proportion of the Specified Denomination of each Note; and
 - ii) an Uncured Default exists on the relevant Interest Payment Cut-off Date, the interest payment payable on the relevant Interest Payment Date shall be suspended and either (as applicable):
 - (x) if, after the relevant Interest Payment Cut-off Date, a Default Correction Date occurs in respect of any such Uncured Default, (subject to paragraph (i) above) the suspended amount of interest which would have been payable on such Interest Payment Date in the absence of such Uncured Default shall be payable on the Deferred Interest Payment Date and no additional amount shall be due in respect of any such delay in payment; or
 - (y) if a Failure to Pay subsequently occurs on or prior to the Extension Date, interest shall be deemed to have ceased to accrue on (but excluding) the date of such occurrence, such accrued interest being payable on the Cash Settlement Date, Physical Settlement Date or Auction Cash Settlement Date, as the case may be (and no amount of interest which would otherwise have been payable in the absence of such Uncured Default shall be due or payable), provided that in the event that the Notes are Linear Basket Credit Linked Notes, interest shall be suspended or deemed to cease to accrue only on the relevant Applicable Proportion of the Specified Denomination of each Note.
- b) If, an Applicable Request in respect of a Credit Event is made on or prior to any Interest Payment Cut-off Date or the Scheduled Maturity Date in respect of which an Applicable Resolution has not been published, the payment of interest (if any) scheduled to be paid to Noteholders on the relevant Interest Payment Date (including the Scheduled Maturity Date), will be suspended, provided that

in the event that the Notes are Linear Basket Credit Linked Notes, interest shall be suspended only on the relevant Applicable Proportion of the Specified Denomination of each Note. If in connection with such Applicable Request either (i) an Applicable DC Credit Event Announcement is made but the Calculation Agent determines that the Credit Event Determination Date relating thereto is a date falling after such Interest Payment Date (including the Scheduled Maturity Date), or (ii) an Applicable DC No Credit Event Announcement is made, payment of the suspended interest will be made five Business Days after the date in respect of which the Credit Event Determination Date is so determined or the date of Applicable DC No Credit Event Announcement, as applicable. If in connection with such Applicable Request, an Applicable DC Credit Event Announcement is made and the Calculation Agent determines that the Credit Event Determination Date relating thereto is a date falling on or prior to such Interest Payment Date or the Maturity Date, no payment of the suspended interest will be made.

- c) No additional amount in respect of interest and no adjustment shall be made to the amount of any interest in connection with the delay or postponement of any payment of interest pursuant to Credit Linked Conditions 9(a) and (b) above. The Issuer shall endeavour to give notice to the Noteholders in accordance with Base Condition 12 (*Notices*) as soon as reasonably practicable should any payment of interest be suspended and/or postponed pursuant to this Credit Linked Condition 9. Notwithstanding any other provisions, no interest shall accrue after the Scheduled Maturity Date.
- d) Unless otherwise specified in the applicable Final Terms, if, on or prior to the Scheduled Maturity Date, the Calculation Agent determines that:
- i) i) a Credit Event has occurred or may occur on or prior to the Scheduled Maturity Date;
 - ii) ii) Repudiation/Moratorium is listed as a Credit Event in the applicable Final Terms and “Repudiation/Moratorium Scheduled Maturity Date Postponement” is stated as being applicable in the applicable Final Terms, a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Date; and/or
 - iii) iii) Failure to Pay is listed as a Credit Event in the applicable Final Terms and a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Date; and/or
 - iv) iv) an Applicable Request has been made on or prior to the Scheduled Maturity Date in respect of which an Applicable Resolution has not been published; and

in each case, no Credit Event Determination Date has occurred as at the Scheduled Maturity Date (each such event a “**Maturity Date Postponement Event**”), the Calculation Agent may deliver an Extension Notice to the Issuer (and the Issuer shall endeavour to give notice to the Noteholders in accordance with Base Condition 12 (*Notices*) as soon as reasonably practicable following receipt of such Extension Notice) and the Maturity Date shall be postponed to the Extended Maturity Date, subject to the provisions of Credit Linked Conditions 2 and 9(f).

- e) The payments of any accrued but unpaid interest scheduled to be paid on the Scheduled Maturity Date will not be paid and shall be postponed pursuant to the foregoing provided that in the event that the Notes are Linear Basket Credit Linked Notes, interest shall be postponed only on the

relevant Applicable Proportion of the Specified Denomination of each Note. No adjustment shall be made to the amount of any interest as a result of any such delay as described in Credit Linked Condition 9(d) above.

- f) In the circumstances described in Credit Linked Condition 9(d) above, if a Credit Event Determination Date occurs during the Credit Observation Period (subject to Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*)), each Note shall be redeemed pursuant to Credit Linked Conditions 4, 5 or 6, as applicable. If no Credit Event Determination Date occurs during the Credit Observation Period and no other relevant Maturity Date Postponement Event(s) are outstanding, each Note shall be redeemed at its Final Redemption Amount on the Final Payment Date.
- g) For the purposes of this Credit Linked Condition 9, a Maturity Date Postponement Event will be deemed to be outstanding on any date, if the relevant period in which a Credit Event Determination Date may be reversed has not expired.

10. SUCCESSION EVENT

- a) With respect to any Reference Entity, 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, which entity or entities qualifies as a Successor provided that the Calculation Agent will not make such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved there is no Successor based on the relevant succession to Relevant Obligations and the Calculation Agent determines that such Resolution is an Applicable Resolution. A copy of the notice of any determination of a Successor shall be given to Noteholders in accordance with Base Condition 12 (*Notices*). The Calculation Agent will make all calculations and determinations required to be made under this Credit Linked Condition 10 on the basis of Eligible Information and will notify the Issuer, who will in turn notify Noteholders, of any such calculation or determination as soon as practicable. In calculating the percentages used to determine whether an entity qualifies as a Successor under this Credit Linked Condition 10, 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.
- b) 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.
- c) Where the Notes are Single Name Credit Linked Notes:
 - i) Where a Succession Event has occurred and more than one Successor has been identified by the Calculation Agent, each such Successor will be deemed to be a Reference Entity for the purposes of the Notes, and to the extent applicable, the Calculation Agent shall

apportion any outstanding principal amounts or any other relevant calculation amounts equally in relation to each Successor.

- ii) Where a Credit Event occurs in respect of a Reference Entity after such a Succession Event, the provisions of the relevant Credit Linked Conditions shall be deemed to apply to the principal amount represented by that Reference Entity only (the “**Partial Principal Amount**”) and all such provisions shall be construed accordingly. Each Note shall thereafter be redeemed in part (such redeemed part being equal to the relevant proportion of the Partial Principal Amount).
 - iii) The Notes shall be deemed to be redeemed *pro rata* in an amount equal to the Partial Principal Amount only. The Notes in an amount equal to the outstanding principal amount of the Notes less the Partial Principal Amount shall remain outstanding (the “**Remaining Amount**”) and interest shall accrue on the Remaining Amount as provided for in the Base Conditions and the applicable Final Terms (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).
 - iv) The provisions of these Credit Linked Conditions shall apply to any subsequent Credit Event Notices delivered in respect of any of the other Reference Entities that are identified as a result of the Succession Event.
- d) Where the Notes are Basket Credit Linked Notes:
- i) Where a Succession Event has occurred in respect of a Reference Entity and more than one Successor has been identified, each Successor will be the Reference Entity (each a “**Successor Reference Entity**”) for the purposes of the Notes, for the avoidance of doubt, such Reference Entity shall no longer be a Reference Entity.
 - ii) Following the occurrence of a Succession Event, upon the occurrence of a Credit Event Determination Date with respect to any of the Reference Entities unaffected by a Succession Event, the Remaining Amount of the Notes will be redeemed in accordance with the provisions of these Credit Linked Conditions relating to Basket Credit Linked Notes.
 - iii) Where a Credit Event occurs in respect of a Successor Reference Entity, the provisions of these Credit Linked Conditions shall be deemed to apply to the Partial Principal Amount of the relevant Successor Reference Entity and all the provisions shall be construed accordingly. Each Note shall thereafter be redeemed in a proportion equal to the relevant proportion which the Partial Principal Amount forms of the aggregate outstanding principal amount of the Notes as of the Issue Date.
 - iv) Following a partial redemption of the Notes pursuant to sub-paragraph (iii) above, interest shall accrue on the remaining outstanding principal amount of the Notes equal to the aggregate outstanding principal amount immediately prior to the redemption as provided for in these Credit Linked Conditions (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).
 - v) The provisions of these Credit Linked Conditions shall apply to any subsequent Credit Event Notices delivered in respect of any Reference Entities following the occurrence of a

Succession Event. For the avoidance of doubt, the provisions of this Credit Linked Condition 7(b) shall apply to each Succession Event.

- e) Where the Notes are First-to-Default Credit Linked Notes, Nth-to-Default Credit Linked Notes or Linear Basket Credit Linked Notes:
- i) Where a Succession Event has occurred in respect of a Reference Entity (each such Reference Entity and any Reference Entity previously the subject of a Succession Event, a “**Succession Event Reference Entity**” and the Reference Entities unaffected by such Succession Event or any previous Succession Event, the “**Non-Succession Event Reference Entities**”) and more than one Successor has been identified by the Calculation Agent, each such Successor will be deemed to be a Reference Entity for the purposes of the Notes (each a “**Successor Entity**”) and, to the extent applicable, the Calculation Agent shall apportion any outstanding principal amounts or any other relevant calculation amounts equally in relation to each Successor Reference Entity.
 - ii) Following the occurrence of a Succession Event, the occurrence of a Credit Event Determination Date with respect to any of the Non-Succession Event Reference Entities will cause the Notes to be redeemed in full in accordance with the provisions of these Credit Linked Conditions; provided that, in the case of Nth-to-Default Credit Linked Notes, the occurrence of a Credit Event Determination Date following a Credit Event with respect to any of the Non-Succession Event Reference Entities will only cause the Notes to be redeemed in full as aforesaid where such Non-Succession Event Reference Entity is the Nth Reference Entity with respect to which a Credit Event Determination Date has occurred.
 - iii) Where a Credit Event occurs in respect of a Successor Reference Entity, the relevant provisions of these Credit Linked Conditions shall be deemed to apply to the Partial Principal Amount of the Notes represented by the relevant Successor Reference Entity only; provided that, in the case of Nth -to-Default Credit Linked Notes, that such Successor Reference Entity is the Nth Reference Entity with respect to which a Credit Event Determination Date has occurred, and all the provisions shall be construed accordingly. Subject as aforesaid, the Notes shall thereafter be redeemed in a proportion equal to the relevant proportion which the Partial Principal Amount forms of the aggregate outstanding principal amount of the Notes as of the Issue Date.
 - iv) Subject as provided in Credit Linked Condition 9 (*Interest Date and Maturity Date Postponement*), following a partial redemption of the Notes pursuant to sub-paragraph (iii) above, interest shall accrue on the remaining outstanding principal amount of the Notes immediately following the partial redemption as provided for in the Base Conditions and these Credit Linked Conditions (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).
 - v) The provisions of these Credit Linked Conditions shall apply to any subsequent Credit Event Notices delivered in respect of any other Successor Reference Entities formed as a result of one or more Succession Events and/or any of the Non-Succession Event Reference Entities. For the avoidance of doubt, the provisions of this Credit Linked Condition 10(e)(v) shall apply to each Succession Event.

- f) Where the effect of the foregoing provisions would be to specify a Reference Entity more than once with respect to the Notes, that Reference Entity shall be deemed to be specified only once.
- g) Save as otherwise provided in the applicable Final Terms, where any Reference Entity (the “**Surviving Reference Entity**”) (other than a Reference Entity that is subject to a Succession Event) would be a Successor to any other Reference Entity (the “**Legacy Reference Entity**”) pursuant to a Succession Event through the application of the foregoing provisions, such Surviving Reference Entity shall be deemed a Successor to the Legacy Reference Entity.
- h) Save as otherwise provided in the applicable Final Terms, in the event that (x) the Issuer becomes a Successor to any Reference Entity as a result of the application of the foregoing provisions, (y) the Issuer and any Reference Entity become Affiliates or (z) the Issuer or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, a Reference Entity or the Issuer (as applicable), then the Issuer shall forthwith give notice of such circumstance to Noteholders in accordance with Base Condition 12 (*Notices*). In such event, the Issuer may, but shall not be obliged to, on giving not more than thirty (30) nor less than fifteen (15) calendar days’ notice to Noteholders in accordance with Base Condition 12 (*Notices*) (the “**Seller Merger Notice**”), redeem all but not some of the Notes at the Early Redemption Amount specified in the Seller Merger Notice.
- i) The applicable Final Terms may be amended and restated at such time to reflect the effect of a Succession Event without the consent of the Noteholders and the Noteholders are deemed to agree to this provision by the purchase of the Notes.
- j) If one or more of the Successors to the Reference Entity have not assumed the Reference Obligation (if any) specified in the applicable Final Terms, the Calculation Agent may select a Substitute Reference Obligation in accordance with the definition of “Substitute Reference Obligation”.
- k) Any determinations under each of sub-paragraphs (a) to (g) above and any determinations under the Final Terms connected with or as a result of a Succession Event or otherwise shall be made by the Calculation Agent in its sole discretion and in good faith and, in the absence of manifest error, shall be conclusive and binding on all parties.

11. **RESTRUCTURING CREDIT EVENT**

- a) Upon the occurrence of an M(M)R Restructuring, the Notifying Party may deliver multiple Credit Event Notices with respect to such M(M)R Restructuring, each such Credit Event Notice setting forth the amount of the aggregate outstanding principal amount of the Notes or, if the Notes are Linear Basket Credit Linked Notes, of the Related Nominal Amount in respect of the relevant Reference Entity, as applicable, to which such Credit Event Notice relates (the “**Exercise Amount**”). If the relevant Credit Event Notice does not specify an Exercise Amount, then the aggregate outstanding principal amount of the Notes outstanding immediately prior to the delivery of such Credit Event Notice or, if the Notes are Linear Basket Credit Linked Notes, the Related Nominal Amount in respect of the relevant Reference Entity immediately prior to the delivery of such Credit Event Notice, as applicable, will be deemed to have been specified as the Exercise Amount. Notwithstanding anything to the contrary in these Credit Linked Conditions, where an M(M)R Restructuring has occurred and the Notifying Party has delivered a Credit Event Notice for an amount that is less than the aggregate outstanding principal amount of the Notes immediately

prior to the delivery of such Credit Event Notice, the provisions of these Credit Linked Conditions shall be deemed to apply to a principal amount equal to the Exercise Amount only and all the provisions shall be construed accordingly. Each such Note shall be redeemed in part (such redeemed part being equal to the relevant proportion of the Exercise Amount). The Exercise Amount shall be subject to any minimum Exercise Amount specified in the relevant Final Terms.

- b) The Notes shall be deemed to be redeemed *pro rata* in an amount equal to the Exercise Amount only. The Notes in an amount equal to the aggregate outstanding principal amount of the Notes (immediately prior to the redemption thereof) less the Exercise Amount shall remain outstanding (the “**Outstanding Amount**”) and interest shall accrue on the Outstanding Amount as provided for in the Base Conditions, these Credit Linked Conditions and the applicable Final Terms (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).
- c) In respect of any subsequent Credit Event Notices delivered in respect of the Reference Entity that was the subject of the Credit Event Notice referred to above:
 - i) the Exercise Amount in connection with a Credit Event Notice describing a Credit Event other than an M(M)R Restructuring must be equal to the then outstanding principal amount of the Notes at such time (and not a portion thereof); and
 - ii) the Exercise Amount in connection with a Credit Event Notice describing an M(M)R Restructuring must be an amount that is at least 1,000,000 units of the currency (or, if Japanese Yen, 100,000,000 units) in which the Notes are denominated or any integral multiple thereof or the entire then outstanding principal amount of the Notes at such time.
- d) For the avoidance of doubt, in the case of a First-to-Default Credit Linked Note, once a Restructuring Credit Event has occurred in respect of a Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Reference Entity that was the subject of the first occurring M(M)R Restructuring. In the case of an Nth-to-Default Credit Linked Note, if an M(M)R Restructuring has occurred in respect of the Nth Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Nth Reference Entity. In the case of a Linear Basket Credit Linked Note, the fact that an M(M)R Restructuring has occurred in respect of a Reference Entity shall not preclude delivery of a Credit Event Notice in respect of any other Reference Entity.
- e) If “Mod R” is specified in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may be specified in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, and may be included in the Deliverable Obligations 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 of both the NOPS Effective Date and the Delivery Date.
- f) If “Mod Mod R” is specified in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may be specified in the Notice of Physical Settlement or in any NOPS Amendment Notice, as applicable, and may be included in the Deliverable Obligations only 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.

- g) If the provisions of this Credit Linked Condition 11 apply in respect of the Notes, on redemption of part of each such Note, the relevant Note or, if the Notes are represented by a Global Note, such Global Note shall be endorsed to reflect such partial redemption.

12. THE CALCULATION AGENT

The Calculation Agent shall be responsible for determining each amount, state of affairs, circumstance, event and other matter, and may form any opinion and exercise any discretion, required or permitted to be determined, formed or exercised, as the case may be, for the purpose of these Credit Linked Conditions and as applicable in the relevant Final Terms. Any such determination, opinion or exercise of discretion shall be made in the Calculation Agent's sole and absolute discretion and will be final and binding on the Issuer and each Noteholder. Unless expressly stated otherwise in these Credit Linked Conditions, the Calculation Agent shall not be bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee.

When determining the existence or occurrence of any Potential Failure to Pay, Potential Repudiation/Moratorium or any Credit Event as specified in the relevant Final Terms, the Calculation Agent shall make such determination based on the occurrence of an event whether or not the occurrence of the relevant event arises directly or indirectly from or is subject to a defence based upon (a) any lack or alleged lack of authority or capacity of the relevant Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor or Insured Obligor, as the case may be, to enter into any Underlying Obligation or Insured Instrument, as the case may be, (b) any actual or alleged unenforceability, illegality, impossibility, invalidity, force majeure event or act of state, with respect to any Obligation or, as applicable, any Underlying Obligation or Insured Instrument, as the case may be, however described, (c) any applicable law, order, regulation, decree or notice, however 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, however described, or (d) the imposition of or any change in any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority.

The Calculation Agent shall, as soon as practicable after obtaining any Quotation (if applicable), notify the Noteholders in writing of each such Quotation that it receives in connection with the calculation of the Final Price and shall provide to the Noteholders a written computation showing its calculation of the Final Price.

Neither the Calculation Agent nor the Issuer shall have any responsibility to the Noteholders for good faith errors or omissions in the Calculation Agent's calculations and determinations made for the purposes of the Base Conditions or these Credit Linked Conditions, whether caused by negligence or otherwise.

13. MODIFICATIONS TO THE BASE CONDITIONS AND FINAL TERMS AND PROVISIONS RELATING TO TIMING AND PAYMENT TIMING

- a) For the purposes of Credit Linked Notes:
- i) if Interest Period End Dates are specified in the applicable Final Terms, then, notwithstanding Base Condition 3(a) (*Definitions*) of the Base Conditions, "Fixed Interest Period" and "Interest Period" shall mean the period from (and including) an

Interest Period End Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date. In such circumstances, interest shall accrue on the Notes at the Rate of Interest during the relevant Fixed Interest Period or Interest Period (as the case may be) and shall be payable on the Interest Payment Date or Specified Interest Payment Date (as the case may be) immediately following such Fixed Interest Period or Interest Period (as the case may be); and

- ii) references to “Interest Payment Date” in the definition of “Day Count Fraction” in Base Condition 3 (*Interest and Other Calculations*) of the Base Conditions shall be construed as references to “Interest Period End Date” as defined in these Credit Linked Conditions.
- b) Where a Transaction Type is specified in the Final Terms in respect of any Reference Entity, then the provisions of these Terms shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in the Final Terms.
- c) In order to determine the day on which an event occurs for the 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.
- i) Notwithstanding the foregoing, 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.

14. DEFINITIONS

For the purposes of these Credit Linked Conditions, the following words shall have the following meaning:

“**Accelerated or Matured**” means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, upon 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.

“**Additional Interest Amount**” means an amount in the Relevant Currency determined by the Calculation Agent in respect of each Note equal to the sum of:

- a) each amount of interest that would have been payable in respect of each Note, but for the operation of Credit Linked Condition 9 (*Interest Payment Date and Maturity Date Postponement*) and the original determination of the Credit Event Determination Date, on each Interest Payment Date falling after the date originally determined to be the Credit Event Determination Date, to and including the Interest Recommencement Date; and
- b) interest accrued on each such amount on a daily basis at the applicable Overnight Rate as determined by the Calculation Agent for the period from, and including, the Interest Payment Date on which the relevant amount of interest that would have been paid but for the operation of Credit Linked Condition 9 (*Interest Payment Date and Maturity Date*

Postponement) and the original determination of the Credit Event Determination Date to, but excluding, the Interest Resumption Date. For the avoidance such interest will be compounded on a daily basis.

“**Adjustment Amount**” means an amount in the Relevant Currency determined by the Calculation Agent in respect of each Note equal to the sum of:

- a) each amount of interest in respect of each Note that would not have been paid (if any) on any Interest Payment Date to Noteholders had the earlier Credit Event Determination Date been the date originally determined as the Credit Event Determination Date; and
- b) interest accrued on each such amount on a daily basis at the applicable Overnight Rate as determined by the Calculation Agent for the period from, and including, the Interest Payment Date on which the relevant interest amount was paid to, but excluding, the date on which the Notes are redeemed. For the avoidance such interest will be compounded on a daily basis.

“**Affiliate**” means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

“**Applicable Auction**” means an Auction which the Calculation Agent determines is relevant to a Credit Event with respect to a Reference Entity and Obligations thereof and which relates to deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity, obligations and deliverable obligations to which the Auction relates and if the Auction relates to a Restructuring Credit Event, the scheduled maturity date of the Notes and the scheduled termination date of the credit derivatives transactions covered by the Auction and the maturity date of the deliverable obligations to which the Auction relates, and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes).

“**Applicable Credit Derivatives Auction Settlement Terms**” means with respect to a Reference Entity, a Credit Event and an Applicable Auction, the Credit Derivatives Auction Settlement Terms (if any) which the Calculation Agent determines are relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) and deliverable obligations which are the subject of the relevant Credit Derivatives Auction Settlement Terms and the Credit Events, Reference Entities and Obligations and Deliverable Obligations under the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes). The Calculation Agent shall, as soon as practicable after the relevant Applicable Credit Derivatives Auction Settlement Terms are published, notify the Issuer that Applicable Credit Derivatives Auction Settlement Terms have been published with respect to a Reference Entity and a Credit Event and make a copy thereof available for inspection by Noteholders at the specified office of the Paying Agents.

“**Applicable DC Credit Event Announcement**” means a DC Credit Event Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof to which such DC Credit Event Announcement relates and the terms of the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes).

“Applicable DC No Credit Event Announcement” means a DC No Credit Event Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC No Credit Event Announcement and the Credit Events, Reference Entities and Obligations thereof under the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes).

“Applicable Redemption Proportion” means in respect of a redemption of a Note and a Credit Event:

- a) if the Note is not a Linear Basket Credit Linked Note, 100 per cent.;
- b) if the Note is a Linear Basket Credit Linked Note, an amount (expressed as a percentage) equal to the Related Nominal Amount of the Reference Entity to which the Credit Event relates divided by the outstanding principal amount of the Notes outstanding as of the related Credit Event Determination Date.

“Applicable Request” means a request that a Credit Derivatives Determinations Committee be convened to Resolve the matters described in the definition of Credit Event Resolution Request Date or Successor Resolution Request Date, as applicable, which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, succession event, reference entity and obligation(s) thereof which are the subject of the request and the Credit Events, Reference Entities and Obligations thereof under the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes).

“Applicable Resolution” means a Resolution of a Credit Derivatives Determinations Committee which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, succession event, reference entity and obligation(s) thereof and any other factor to which the Resolution relates and the terms of the Notes and (b) any hedging transaction that the Issuer has entered or may enter into in connection with the Notes).

“Applicable Transaction Auction Settlement Terms” means, with respect to a Reference Entity and a Credit Event, the relevant Credit Derivatives Auction Settlement Terms which the Calculation Agent determines constitute Applicable Credit Derivatives Auction Settlement Terms.

"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 realized or capable of being realized in circumstances where the right and/or other asset no longer exists).

"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.

"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.

"Asset Package Credit Event" means:

- a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms:
 - (i) a Governmental Intervention; or
 - (ii) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in the applicable Final Terms and such Restructuring does not constitute a Governmental Intervention; and
- (b) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in the applicable Final Terms, 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.

"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 specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Credit 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.

"Asset Transfer Notice" means a notice that complies with Credit Linked Condition 5(h), issued by a Noteholder to the Issuer, in connection with a redemption of any Note wholly or in part by way of Physical Settlement.

"Assignable Loan" means a Loan that is capable of being assigned or novated to any third party or, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction or organisation) that are not then a lender or a member of the relevant lending syndicate without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent.

"Auction" means, with respect to a Reference Entity and a Credit Event, unless otherwise specified in the Applicable Transaction Auction Settlement Terms, an auction pursuant to which an Auction Final Price is to be determined in accordance with an auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms.

"Auction Cancellation Date" means, with respect to an Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the date on which such Auction was deemed to have been cancelled as announced by ISDA (and/or the administrators specified in the relevant Credit Derivatives Auction Settlement Terms) on its website or such other date as determined and announced in accordance with the relevant Applicable Transaction Auction Settlement Terms.

"Auction Cash Settlement Amount" means, in respect of each Note, the amount determined in accordance with Credit Linked Condition 6 (*Auction Settlement*).

"Auction Cash Settlement Date" means the second Business Day following the Auction Settlement Date determined in accordance with the Applicable Credit Derivatives Auction Settlement Terms or such other date specified in the applicable Final Terms, as determined by the Issuer.

"Auction Covered Transaction" has the meaning set forth in the relevant Applicable Transaction Auction Settlement Terms.

“**Auction Final Price**” means, with respect to an Applicable Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Notes determined to be the Auction Final Price in accordance with the relevant Applicable Transaction Auction Settlement Terms. The Calculation Agent shall as soon as practicable after publication of the Auction Final Price in respect of an Applicable Auction make available for inspection by Noteholders at the specified office of the Paying Agent a copy of the relevant Applicable Transaction Auction Settlement Terms and copies of the relevant publication of the Auction Final Price.

“**Auction Final Price Determination Date**” means, with respect to an Applicable Auction, the day, if any, on which the Auction Final Price is determined or such other date as specified in the relevant Applicable Transaction Auction Settlement Terms.

“**Auction Settlement Date**” means the date that is the number of Business Days specified in the relevant Applicable Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, three Business Days) immediately following the relevant Auction Final Price Determination Date.

“**Average Highest**” means, with respect to the Reference Obligation on each Valuation Date, the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to such Reference Obligation on each such date.

“**Average Market**” means, with respect to the Reference Obligation on each Valuation Date, the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to such Reference Obligation on each such date.

“**Bankruptcy**” means, with respect to a Reference Entity, such 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 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 judgement of insolvency or bankruptcy or any other 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 judgement 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 thirty 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) (inclusive).

“**Basket Credit Linked Note**” means Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of two or more Reference Entities.

“**Bond**” means any obligation of a type included in the definition of “Borrowed Money” 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.

“**Bond or Loan**” means any obligation that is either a Bond or a Loan.

“**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).

“**Business Day**” means:

- a) a day on which commercial banks and foreign exchange markets settle payments and are open in Milan,
- b) a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET or TARGET2) System or any successor thereto is open, and
- c) any additional city or cities specified in the applicable Final Terms.

“**Cash Settlement Amount**” means, in respect of each Note, the amount determined in accordance with Credit Linked Condition 4 (*Cash Settlement*).

“**Cash Settlement Date**” means the date that is three Business Days (or such other number of Business Days specified in the applicable Final Terms) following the calculation of the Final Price.

“**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 if the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer 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 definition.

“**Conforming Reference Obligation**” means a Reference Obligation which is a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”.

“**Consent Required Loan**” means a Loan that is capable of being assigned or novated with the consent of the relevant 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.

“**Credit Derivatives Auction Settlement Terms**” means any Credit Derivatives Auction Settlement Terms published by ISDA, 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.

“**Credit Derivatives Determinations Committees**” means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with credit derivative transactions.

“Credit Event” means, as determined by the Calculation Agent, the occurrence of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/ Moratorium, Restructuring or Governmental Intervention, as specified in the applicable Final Terms, determined on the basis of Publicly Available Information by the Calculation Agent. 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:

- a) 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;
- b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation, or, as applicable, any Underlying Obligation however described;
- c) any applicable law, order, regulation, decree or notice, however 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, however described; or
- d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restriction imposed by any monetary or other authority, however described.

“Credit Event Backstop Date” means:

- a) for the purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, if applicable, the event described in sub-paragraph (ii) of the definition thereof) as determined by a DC Resolution, provided such DC Resolution is an Applicable Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date, provided that the Calculation Agent determines that the DC Resolution is an Applicable Resolution and the Credit Event Resolution Request Date relates to an Applicable Request; 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; and
 - ii) the Credit Event Resolution Request Date, if the Notice Delivery Date occurs during the Post Dismissal Additional Period.

The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention

“Credit Event Determination Date” means with respect to a Credit Event with respect to which:

- a) “Auction Settlement” is specified as applicable in the applicable Final Terms;
 - i) subject to sub-paragraph (ii) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice as determined by the Calculation Agent; or
 - ii) notwithstanding sub-paragraph (i) above, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred on or prior to the last day of the

Notice Delivery Period (including prior to the Trade Date) as determined by the Calculation Agent and either:

- (A) (1) the Credit Event is not an M(M)R Restructuring; and
 - (2) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or
- (B) (1) the Credit Event is an M(M)R Restructuring; and
 - (2) a Credit Event Notice is delivered and is effective on or prior to the Exercise Cut-off Date,

provided that:

- (x) no Physical Settlement Date, if applicable, or Cash Settlement Date, Auction Cash Settlement Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;
 - (y) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, a Credit Event Determination Date shall be deemed to have occurred only with respect to the portion of the aggregate outstanding principal amount of the Notes then outstanding (or, in the case of Linear Basket Credit Linked Certificates, the Related Nominal Amount in respect of the relevant Reference Entity, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
 - (z) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless, and to the extent that, the Exercise Amount specified in such Credit Event Notice was less than the aggregate outstanding principal amount of the Notes then outstanding or, in the case of Linear Basket Credit Linked Certificates, the Related Nominal Amount in respect of the relevant Reference Entity or (cc) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction, or
- b) or sub-paragraph (a) of this definition does not apply, the Non-Standard Event Determination Date determined in accordance with the definition of Non-Standard Event Determination Date.

“**Credit Event Notice**” means an irrevocable notice from the relevant entity specified as the Notifying Party in the applicable Final Terms that describes a Credit Event that occurred on or after the Credit Observation Start Date and on or prior to the Extension Date . Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Observation End Date 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.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the aggregate outstanding principal amount of the Notes or, in the case of Linear Basket Credit Linked Certificates, the full Related Nominal Amount in respect of the relevant Reference Entity.

The Credit Event Notice shall contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. 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 Resolution Request Date**” means, with respect to 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.

“**Credit Linked Note**” means a Note which is linked to the credit of one or more Reference Entities.

“**Credit Observation Period**” means the period from the Credit Observation Start Date to the Extension Date (both dates inclusive).

“**Credit Observation Start Date**” means the date specified in the applicable Final Terms, provided that if no date is so specified, the Credit Observation Start Date shall mean:

- a) in connection with a Credit Event, the earlier to occur of the Issue Date and the Credit Event Backstop Date with respect to such Credit Event; and
- b) in connection with a Succession Event, the earlier to occur of the Issue Date and the Successor Backstop Date with respect to such Succession Event, as applicable.

“**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 to 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 that portion of the Notional Credit Derivatives Transaction 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 or any NOPS Amendment Notice, as applicable, 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 in a commercially reasonable manner and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

“**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.

“**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 fourteen calendar days following the No Auction Announcement Date, if any, as applicable.

“DC Credit Event Announcement” means, with respect to the 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 and the Calculation Agent determines that such Resolution is an Applicable Resolution relevant to the Notes and the Calculation Agent determines that such event 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 Observation End 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” 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 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 No Credit Event Announcement” means, with respect to the 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” has the meaning given to that term in the definition of Resolve below.

“DC Rules” means the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.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.

“Default Correction Date” means with respect to an Uncured Default: the day (if any) on which Publicly Available Information exists confirming that a Potential Failure to Pay has been cured and ceases to exist, as determined by the Calculation Agent, provided that such Potential Failure to Pay is cured within the originally applicable grace period prior to the expiry of which such debt is not capable of being declared due and payable, and provided that such cure occurs before a Credit Event as a result of a Failure to Pay occurs.

“Default Requirement” means the amount as may be specified as such in the applicable Final Terms or its equivalent in the Obligation Currency (or, if no such amount is specified in the applicable Final Terms, U.S.\$ 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the relevant Credit Event.

“Defaulted Credit” means, on any day, each Reference Entity in respect of which a Credit Event Determination Date has occurred.

“Deferred Interest Payment Date” means, in respect of a Default Correction Date, the day falling five Business Days following such Default Correction Date.

“**Deliver**” means, with respect to the Relevant Proportion of the Deliverable Obligation(s), 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 Obligation(s) (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 Relevant Proportion of the Deliverable Obligation(s) to the Noteholder free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in sub-paragraphs (a) to (d) of the definition of “Credit Event” above) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor); provided that (a) if a Deliverable Obligation is a Direct Loan Participation, “**Deliver**” shall mean the creation (or procurement of the creation or) of a participation in favour of the relevant Noteholder and (b) if a Deliverable Obligation is a Guarantee, “**Deliver**” shall mean to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, “**Deliver**” means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap. “**Delivery**” and “**Delivered**” shall 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 the relevant Noteholder agree 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 parties hereunder. Compliance by the relevant Issuer and Noteholders with the provisions of any such documentation, shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the relevant Issuer nor any Noteholder shall be permitted to request that any party take, nor shall the Issuer or any Noteholder be required to take, any action or make any payment in connection with such Delivery, as applicable, 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) the definition of "Deliver" shall be deemed to apply to each Asset in the Asset Package 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 Notice of Physical Settlement or NOPS Amendment Notice is delivered, (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 Obligation” means (a) any obligation of the Reference Entity (either directly or as a provider of a Relevant Guarantee) described by the Deliverable Obligation Category specified in the applicable Final Terms and having each of the Deliverable Obligation Characteristics specified in the applicable Final Terms; (b) the Reference Obligation; (c) 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 (d) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms) or any Package Observable Bond (if the Reference Entity is a Sovereign), 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) of this definition), immediately prior to the relevant Asset Package Credit Event).

“Deliverable Obligation Category” means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms (each as defined herein, except that, for the purposes of determining Deliverable Obligations, the definition of Reference Obligation Only shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).

“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, as specified in the applicable Final Terms.

If (a) either of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the applicable Final Terms, the applicable Final 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 applicable Final Terms, the applicable Final 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 applicable Final Terms, the applicable Final 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 applicable Final 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.

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 applicable Final Terms, if an obligation would otherwise satisfy a particular 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 Deliverable Obligation Characteristic.

For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Linked Conditions 11(e) and 11(f) to a Prior Additional 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 applicable Final 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.

"Deliverable Obligation Terms" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

"Deliverable Obligation Provisions" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

"Delivery Date" means, with respect to a Deliverable Obligation or an Asset Package, the date on which such Deliverable Obligation is Delivered (or deemed delivered in accordance with these Credit Linked Conditions).

"Delivery Expenses" shall have the meaning specified in Credit Linked Condition 5(j).

"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 the Noteholder that provides such Noteholder 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 such Noteholder 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 applicable Final Terms and any successor currency thereto (or if no such currency specified, the lawful currency and any successor currency of (a) the Reference Entity, if the Reference Entity is a Sovereign, or (b) 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.

"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 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 Valuation Date, as applicable.

“**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.

“**Eligible Transferee**” means:

- a) any:
 - (i) bank or other financial institution;
 - (ii) insurance or reinsurance company;
 - (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in sub-paragraph (c)(i) below); and
 - (iv) registered or licensed broker or dealer (other than a natural person or proprietorship), provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- b) an Affiliate of an entity specified in the preceding clause (a) of this definition;
- c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least USD 100,000,000 or (2) 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;
 - (ii) that has total assets of at least USD 500,000,000; or
 - (iii) 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 sub-paragraph (a), (b), (c)(ii) or (d) of this definition; and/or
- d)
 - (i) any Sovereign; or
 - (ii) 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 definition to USD include equivalent amounts in other currencies, as determined by the Calculation Agent.

“**Entity Type**” means, unless otherwise specified in the Final Terms for the purposes of the application of the Transaction Type Standard Terms to the Notes, each Reference Entity designated as one of the following in the Final Terms:

- a) European Corporate Entity;
- b) European Insurance Corporate Entity (Subordinated Debt);

- c) European Emerging Markets Corporate Entity;
- d) Australian and New Zealand Corporate Entity;
- e) Japanese Corporate Entity;
- f) Singaporean Corporate Entity;
- g) Asian Corporate Entity;
- h) North American Investment Grade Corporate Entity;
- i) North American High Yield Corporate Entity;
- j) North American Monoline Insurer Corporate Entity;
- k) Latin American Corporate (B) Entity;
- l) Latin American Corporate (B&L) Entity;
- m) Western European Sovereign Entity;
- n) European Emerging Markets Sovereign Entity;
- o) Australian and New Zealand Sovereign Entity;
- p) Japanese Sovereign Entity;
- q) Singaporean Sovereign Entity;
- r) Asian Sovereign Entity; and
- s) Latin American Sovereign Entity.

“Excluded Deliverable Obligation” means:

- a) any obligation of the Reference Entity specified as such or of a type described in the applicable Final Terms;
- b) any principal only component of a Bond from which some or all of the interest components have been stripped; and
- c) 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:

- a) any obligation of the Reference Entity specified as such or of a type described in the applicable Final Terms;
- b) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Notional Credit Derivative Transaction is a Senior Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and

- c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Notional Credit Derivative Transaction is a Subordinated Transaction, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

“**Exercise Amount**” has the meaning set out in Credit Linked Condition 11 (*Restructuring Credit Event*).

“**Exercise Cut-off Date**” means either:

- a) with respect to an M(M)R Restructuring and sub-paragraph (a) of the definition of "Credit Event Determination Date" applies:
- (i) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; provided that the Calculation Agent determines that such Resolution and Credit Derivatives Auction Settlement Terms constitute an Applicable Resolution and Applicable Credit Derivatives Auction Settlement Terms, as applicable; or
 - (ii) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date; or
- b) with respect to a Credit Event and sub-paragraph (a) of the definition of "Credit Event Determination Date" does not apply, the Non-Standard Exercise Cut-off Date;

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

“**Extended Maturity Date**” means, where an Extension Notice has been served, the date that is fifteen (15) Business Days (or such other date as may be specified in the Final Terms) after:

- a) if such notice was given pursuant to clause (a) of the definition of Extension Notice, the Scheduled Maturity Date; or
- b) if such notice was given pursuant to clause (b) of the definition of Extension Notice, the Grace Period Extension Date; or
- c) if such notice was given pursuant to clause (c) of the definition of Extension Notice, the Repudiation/Moratorium Evaluation Date; or
- d) if such notice was given pursuant to clause (d) of the definition of Extension Notice, the Settlement Election End Date.

“**Extension Date**” means the latest to occur of:

- a) the Scheduled Observation End Date;
- b) the Grace Period Extension Date if:
 - (i) “Failure to Pay” and “Grace Period Extension” are specified as applicable in the applicable Final Terms; and
 - (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Observation End Date; and

- c) the Repudiation/Moratorium Evaluation Date (if any) if “Repudiation/Moratorium” is specified as applicable in the applicable Final Terms, unless the Final Terms specify an alternative time.

“**Extension Notice**” means a notice from the Calculation Agent to the Issuer, giving notice of the following in relation to a Reference Entity:

- a) without prejudice to sub-paragraphs (b), (c) and (d) of this definition, that a Credit Event has occurred or may occur on or prior to the Scheduled Maturity Date; or
- b) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Date. For the purposes of this sub-paragraph (b), the giving of a Grace Period Extension Notice (if on or prior to the Scheduled Maturity Date) shall be deemed to satisfy the requirement to give notice under this definition of Extension Notice. However, the giving of an Extension Notice in accordance with this sub-paragraph (b) shall not in any way preclude the subsequent giving of a Grace Period Extension Notice so long as the Grace Period Extension Condition is satisfied; or
- c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Date. For the purposes of this sub-paragraph (c), the giving of a Repudiation/Moratorium Extension Notice (if on or prior to the Scheduled Maturity Date) shall be deemed to satisfy the requirement to give notice under this definition of Extension Notice. However, the giving of an Extension Notice in accordance with this sub-paragraph (c) shall not in any way preclude the subsequent giving of a Repudiation/Moratorium Extension Notice so long as the Repudiation/Moratorium Extension Condition is satisfied; or
- d) that an Applicable Request has been made on or prior to the Scheduled Maturity Date in respect of which an Applicable Resolution has not been published.

An Extension Notice shall be subject to the requirements regarding notices set out in Credit Linked Condition 3 (*Notices*).

“**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 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 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.

“**Fallback Settlement Basis**” means, with respect to Notes for which “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, the Fallback Settlement Basis specified in such Final Terms or, if no Fallback Settlement Basis is specified in the applicable Final Terms, the Fallback Settlement Basis shall be deemed to be “Cash Settlement”.

“**Final List**” has the meaning given to that term in the DC Rules.

“**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 by the Calculation Agent as of the Valuation Date in accordance with the Valuation Method specified in the applicable Final Terms.

“**First-to-Default Credit Linked Notes**” means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, upon the occurrence of a Credit Event Determination Date with respect to any of such Reference Entities, the Notes will be redeemed in accordance with the relevant Settlement Basis.

“**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).

“**Fractional Entitlement**” shall have the meaning specified in Credit Linked Condition 5(i).

“**Full Quotation**” means, in accordance with the Quotation Method, each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount equal to the Quotation Amount.

“**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 definition.

“**Further Subordinated Obligation**” means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

“**Governmental Authority**” means:

- a) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);
- b) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;
- c) 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 all of its obligations; or
- d) any other authority which is analogous to any of the entities specified in sub-paragraphs (a) to (c) of this definition.

“**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) 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 (A) the payment or accrual of interest, or (B) 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), (b) and (c) of this definition.

For purposes of this definition, the term "Obligation" shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

“Grace Period” means:

- a) subject to sub-paragraphs (b) and (c) below, the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- b) if “Grace Period Extension” is specified as applicable in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Observation End Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Observation End Date, the Grace Period will be deemed to be the lesser of such grace period and the number of days specified as such in the applicable Final Terms or, if a number of days is not so specified, thirty calendar days; and
- c) 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 applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Observation End Date.

“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 or, if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement 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.

“**Grace Period Extension Condition**” is satisfied by the delivery of a Grace Period Extension Notice and, if specified as applicable in the applicable Final Terms, Notice of Publicly Available Information, by the Issuer to the Noteholders delivered on or before the Maturity Date.

“**Grace Period Extension Date**” means, if (a) “Grace Period Extension” is specified as applicable in the applicable Final Terms and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Observation End Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

“**Grace Period Extension Notice**” means an irrevocable notice from the Issuer to the Noteholders that describes a Potential Failure to Pay that occurred on or after the Credit Observation Start Date and on or prior to the Scheduled Observation End Date. A Grace Period Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay has occurred and indicate that date of the occurrence. A Grace Period Extension Notice shall be subject to the requirements regarding notices contained in Base Condition 12 (*Notices*).

“**Hedge Unwind Costs**” means, with respect to any Series of Notes in respect of which “Hedge Unwind Adjustment” is specified as applying in the applicable Final Terms, the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.

“**Highest**” means, with respect to the Reference Obligation on the relevant Valuation Date, the highest Quotation obtained by the Calculation Agent with respect to such Reference Obligation on such date.

“**Interest Payment Cut-off Date**” means in respect of the Notes and any date which is an Interest Payment Date, the third Payment Business Day preceding such Interest Payment Date and in respect of any date which is not an Interest Payment Date, the third Business Day preceding the Maturity Date.

“**Interest Period End Date**” means each date specified as such in the applicable Final Terms, provided that if no dates are so specified, the Interest Period End Dates shall be each Interest Payment Date.

“**Interest Recommencement Date**” shall have the meaning specified in Credit Linked Condition 8 (*Reversals and Adjustments to Credit Event Determination Dates*).

“**ISDA**” means International Swaps and Derivatives Association, Inc. or any successor thereto as determined by the Calculation Agent.

“**Issuer Credit Event Notice**” has the meaning given to such term in Condition 3 (*Notices*).

“**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), as determined by the Calculation Agent by reference to Eligible Information. If this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realizable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

“**Latest Permissible Physical Settlement Date**” means the date that, in respect of Credit Linked Condition 5(f)(ii)(A), is thirty calendar days after the Physical Settlement Date and, in respect of Credit Linked Condition 5(f)(ii)(B) and (C), the date that is fifteen Business Days after the Physical Settlement Date.

“**Limitation Date**” means 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, 7.5 years, 10 years (the “**10-year**

Limitation Date”), 12.5 years, 15 years, or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention.

“**Linear Basket Credit Linked Notes**” mean Notes which are specified as such in the applicable Final Terms, in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, on each occasion on which a Credit Event occurs and a Credit Event Determination Date occurs with respect to any of the Reference Entities, the Notes will be redeemed in part in an amount determined by reference to the Related Nominal Amount relating to such Reference Entity in accordance with the relevant Settlement Basis.

“**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 definition of “Borrowed Money” 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.

“**London Business Day**” a day on which commercial banks and foreign exchange markets are generally open to settle payments in London.

“**M(M)R Restructuring**” means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in the applicable Final Terms.

“**Market**” means, with respect to the Reference Obligation on the relevant Valuation Date, the Market Value determined by the Calculation Agent with respect to such Reference Obligation on such date.

“**Market Value**” means, with respect to the Obligation on a 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 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 (and subject to sub-paragraph (b) of the definition of “Quotation” below), an amount that the Calculation Agent shall determine on the next Business Day on which at least two Full Quotations or a Weighted Average Quotation is obtained; and (f) if two or more Full Quotations are not obtained within the additional ten Business Day period set forth in sub-paragraph (b) of the definition of “Quotation” below, the Market Value shall be determined as provided in such sub-paragraph (b).

“**Maximum Maturity**” means an obligation that has a remaining maturity of not greater than the period specified in the applicable Final Terms (or if no such period is specified, thirty years).

“**Minimum Quotation Amount**” means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, the lower of (a) U.S.\$1,000,000 (or its equivalent in the Obligation Currency) and (b) the Quotation Amount).

“**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, securities and other financial assets.

“Modified Restructuring Maturity Limitation Date” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Observation End Date.

Subject to the foregoing, if the Scheduled Observation End Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Observation End Date.

“Movement Option” means, with respect to an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) or (c)(ii) of the definition of No Auction Announcement Date, the option of the Issuer to determine in good faith the Parallel Auction Settlement Terms, if any, that shall be deemed to be applicable for the purposes of the Notes and Auction Settlement in respect of a Reference Entity and a Credit Event (for which purpose the Issuer may take into account (a) the terms of the relevant Parallel Auction Settlement Terms, the permissible deliverable obligations thereunder, the Deliverable Obligations under the Notes and (b) any hedging transaction that the Issuer has or may enter into in connection with the Notes).

“Movement Option Cut-off Date” means the date that is one Relevant City Business Day following the Exercise Cut-off Date, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved.

“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 sixty-six-and-two-thirds is required to consent to the event which constitutes a Restructuring Credit Event, provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (b) above.

“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.

“No Auction Announcement Date” means, with respect to Notes for which Auction Settlement is specified as the Settlement Basis in the applicable Final Terms, a Reference Entity and a Credit Event, the date on which the Calculation Agent determines that the DC Secretary first publicly announces that:

- a) no Applicable Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published; or
- 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 and the Calculation Agent determines that such Resolution is an Applicable Resolution and no Applicable Auction will be held.

"No Standard Reference Obligation" means that 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.

"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 sub-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).

"Non-Financial Instrument" means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

"Non-Standard Event Determination Date" means, with respect to a Credit Event to which sub-paragraph (a) of the definition of "Credit Event Determination Date" does not apply and as determined by the Calculation Agent (which may take into account, without limitation, any hedging transaction that the Issuer has or may enter into in connection with the Notes):

- (a) subject to paragraph (b) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (i) a DC Credit Event Announcement has occurred nor (ii) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) notwithstanding paragraph (a) above, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) either:
 - (i) the Credit Event Resolution Request Date, if either:
 - (A) (1) "Auction Settlement" is not specified as being applicable in the Final Terms;
 - (2) the relevant Credit Event is not an M(M)R Restructuring; and
 - (3) the Trade Date occurs on or prior to the date of the DC Credit Event Announcement; or
 - (B) (1) either:
 - (x) "Auction Settlement" is specified as being applicable in the Final Terms; or
 - (y) the relevant Credit Event is an M(M)R Restructuring; and

- (2) a Credit Event Notice is delivered by the Notifying Party and is effective on or prior to the Non-Standard Exercise Cut-off Date, or
- (ii) the first date on which a Credit Event Notice is delivered by the Notifying Party and is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is fourteen calendar days thereafter (provided, in each case, 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 Trade Date)), if either:
 - (A)
 - (1) "Auction Settlement" is not specified as being applicable in the Final Terms;
 - (2) the relevant Credit Event is not an M(M)R Restructuring; and
 - (3) the Trade Date occurs following the date of the related DC Credit Event Announcement and on or prior to a DC Announcement Coverage Cut-off Date; or
 - (B)
 - (1) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; and
 - (2) either:
 - (x) "Auction Settlement" is not specified as being applicable in the Final Terms; or
 - (y) "Auction Settlement" is specified as being applicable in the Final Terms and a Credit Event Notice is delivered by the Notifying Party and is effective on a date that is later than the relevant Non-Standard Exercise Cut-off Date;

provided that:

- (aa) no Physical Settlement Date, if applicable, or Cash Settlement Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;
- (bb) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, a Non-Standard Event Determination Date shall be deemed to have occurred only with respect to the portion of the aggregate outstanding principal amount of the Notes then outstanding (or, in the case of Linear Basket Credit Linked Notes, the Related Nominal Amount in respect of the relevant Reference Entity), if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (cc) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered to the relevant Issuer by the Calculation Agent, (xx) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date,

(yy) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the aggregate outstanding principal amount of the Notes then outstanding (or, in the case of Linear Basket Credit Linked Notes, the Related Nominal Amount in respect of the relevant Reference Entity) or (zz) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction.

"Non-Standard Exercise Cut-off Date" means:

- (a) if the relevant Credit Event is not an M(M)R Restructuring, either:
 - (i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
 - (ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or
 - (iii) the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable; or
- (b) if the relevant Credit Event is an M(M)R Restructuring and:
 - (i) the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is either two Relevant City Business Days or five Relevant City Business Days following the date on which such Final List is published (as determined by the Calculation Agent taking into account, without limitation, any hedging transaction that the Issuer has or may enter into in connection with the Notes); or
 - (ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

"Non-Standard Reference Obligation" means the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

"Non-Transferable Instrument" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"NOPS Amendment Notice" has the meaning given to it in Credit Linked Condition 5(a). A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that the Issuer will deliver in accordance with Credit Linked Condition 5 (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).

"**NOPS Cut-off Date**" means, subject, where applicable, to Credit Linked Condition 7 (*Suspension Terms*):

(a) subject to sub-paragraph (b) below:

- (i) the thirtieth calendar day after the Credit 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 Non-Standard Exercise Cut-off Date); or

(b) if "Physical Settlement" is applicable pursuant to the Fallback Settlement Basis:

- (i) the relevant Credit Event is not an M(M)R Restructuring, the later of (A) the date determined pursuant to sub-paragraph (a)(i) and (B) the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date occurring pursuant to sub-paragraphs (a) or (c)(i) of the definition thereof, as applicable; or

(ii) the relevant Credit Event is an M(M)R Restructuring, either:

(A) the later of:

(1) the date determined pursuant to sub-paragraph (a)(i) above; and

(2) the thirtieth calendar day after:

(x) a No Auction Announcement Date occurring pursuant to sub-paragraph (a) of the definition thereof, if any;

(y) a No Auction Announcement Date occurring pursuant to sub-paragraph (c)(i) of the definition thereof, 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 the Relevant City 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 either:

(1) a No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition thereof and the Movement Option has not been exercised; or

(2) a No Auction Announcement Date occurs pursuant to sub-paragraph (c)(ii) of the definition thereof and the Movement Option has not been exercised,

provided that in the case of sub-paragraphs (a)(ii) and (b) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in sub-paragraph (a)(i) above.

"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.

"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, Luxembourg or any other internationally recognised clearing system.

"Not Domestic Currency" means any obligation that is payable in any currency other than the applicable 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.

"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 applicable Final Terms, an effective Notice of Publicly Available Information, have been delivered in accordance with these Credit Linked Conditions.

"Notice Delivery Period" means the period from and including the Trade Date to and including the date that is fourteen calendar days after the Extension Date.

"Notice of Physical Settlement" means a notice from the Issuer to the Calculation Agent and the Noteholders in accordance with Base Condition 12 (*Notices*). A Notice of Physical Settlement shall be subject to the requirements regarding notices contained in Credit Linked Condition 3 (*Notices*). A Notice of Physical Settlement shall contain:

- a) a detailed description of each Deliverable Obligation that the Issuer intends to Deliver to the Noteholders, including, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor of each such Deliverable Obligation); and
- b) 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 the Noteholders (the “**Aggregate Outstanding Amount**”).

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 Noteholders prior to the relevant Delivery Date and 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 Noteholders of the detailed description of the Asset Package, if any, that it intends to Deliver to Noteholders 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.

“**Notice of Publicly Available Information**” means an irrevocable notice from the Calculation Agent to the Noteholders 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 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. A Notice of Publicly Available Information shall be subject to the requirements regarding notices contained in Credit Linked Condition 3 (*Notices*).

“**Notice to Exercise Movement Option**” means, if (a) M(M)R Restructuring is applicable and (b) the Fallback Settlement Basis would otherwise be applicable pursuant to Credit Linked Condition 3, a notice from the Issuer to the Calculation Agent that (a) specifies the Parallel Auction Settlement Terms applicable with respect to Notes in accordance with the Movement Option and (b) is effective on or prior to the Movement Option Cut-off Date.

“**Notional Credit Derivative Transaction**” means, with respect to any Note to which these Credit Linked Conditions apply and a Reference Entity, a hypothetical market standard credit default swap transaction entered into by the relevant Issuer, as Buyer (as defined in the 2014 Credit Derivatives Definitions as published by ISDA), incorporating the terms of the 2014 Credit Derivatives Definitions as published by ISDA and under the terms of which:

- (a) the "Trade Date" is the Trade Date, if specified in the applicable Final Terms and if not, the Issue Date;
- (b) the "Scheduled Termination Date" is the scheduled Settlement Observation End Date;
- (c) the "Reference Entit(y)(ies)" thereunder is (are) such Reference Entit(y)(ies); and
- (d) the remaining terms as to credit linkage are consistent with the terms of such Note as they relate to such Reference Entity.

“**Nth Reference Entity**” means, in respect of any Series of Nth -to-Default Credit Linked Notes, the numbered Reference Entity with respect to which a Credit Event Determination Date must have occurred in order for the Notes to be redeemed in accordance with the applicable Settlement Basis. For example, if the applicable Final Terms specify that the Notes are Second-to-Default Credit Linked Notes, then the Nth Reference Entity shall be the second Reference Entity with respect to which a Credit Event Determination Date has occurred.

“**Nth -to-Default Credit Linked Notes**” means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, upon the occurrence of a Credit Event Determination Date with respect to the Nth Reference Entity, the Notes will be redeemed in accordance with the relevant Settlement Basis.

“**Obligation**” means (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee), described by the Obligation Category and having each of the Obligation Characteristics specified in the applicable Final Terms and the Reference Obligation in each case, unless it is an Excluded Obligation, in each case, immediately prior 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, (b) each Reference Obligation, unless specified in the applicable Final Terms as an Excluded Obligation and (c) any other obligations of the Reference Entity as specified in the applicable Final Terms.

“**Obligation Acceleration**” means 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 (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

“**Obligation Category**” means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final 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, as specified in the applicable Final Terms; provided that (a) if the applicable Final Terms specifies the Obligation Category as being Reference Obligation Only, then no Obligation Characteristics shall be applicable; and (b) in any case, the applicable Final Terms may specify that the Obligation Characteristics are not applicable.

If either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular 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.

“**Obligation Currency**” means, with respect to an Obligation, the currency in which the Obligation is denominated.

“**Obligation Default**” means 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 (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

“**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 applicable Final

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 Notes ("**Non-Reference Entity Original Non-Standard Reference Obligation**"), other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic, unless (a) Non-Reference Entity Original Non-Standard Reference Obligation is specified as applicable in the applicable Final Terms, or (b) the Notes are Reference Obligation Only Notes.

"**Outstanding Amount**" has the meaning set out in Credit Linked Condition 11(b).

The "**Outstanding Principal Balance**" an obligation calculated as follows:

- a) first, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable in accordance with Credit Linked Condition 5, the 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 Reference Entity were references to the Underlying Obligor) and (ii) the amount of the Fixed Cap, if any);
- b) 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) less any amounts subtracted in accordance with sub-paragraph (b), the "**Non-Contingent Amount**"); and
- c) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

- (1) unless otherwise specified in the applicable Final Terms, in accordance with the terms of the obligation in effect on either (x) 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 (y) the Valuation Date, as applicable; and
- (2) 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).

"**Overnight Rate**" means the overnight rate for deposits in the relevant currency as determined by the Calculation Agent, in good faith having regard to any then existing market practice.

"**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 the definition of Deliverable Obligation set out in sub-paragraphs (a) or (b) of such definition, in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

"**Parallel Auction**" means "Auction" as defined in the relevant Parallel Auction Settlement Terms.

“Parallel Auction Cancellation Date” means “Auction Cancellation Date” as defined in the relevant Parallel Auction Settlement Terms.

“Parallel Auction Settlement Terms” means, following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions applicable to the Notes and the Calculation Agent determines that the related Auction would not be an Applicable Auction for the purposes of the Notes.

“Parallel Notice of Physical Settlement Date” means "Notice of Physical Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

“Partial Cash Settlement Amount” means, for each Undeliverable Obligation, Undeliverable Loan Obligation or Undeliverable Participation, save as otherwise specified in the applicable Final Terms, an amount equal to the Recovery Amount in respect of such Undeliverable Obligation, Undeliverable Loan Obligation or Undeliverable Participation.

“Partial Cash Settlement Date” has the meaning given to it in the applicable Final Terms, or, if such a meaning is not so specified, means the date that is three Business Days after the Latest Permissible Physical Settlement Date.

“Partial Principal Amount” has the meaning set out in Credit Linked Condition 10 (*Succession Event*).

“Payment” means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

“Payment Requirement” means the amount specified as such in the applicable Final Terms or its equivalent in the Obligation Currency (or, if no such amount is specified in the applicable Final Terms, U.S.\$ 1,000,000 or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

“**Permissible Deliverable Obligations**” has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

“**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 Confirmation; 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 Confirmation; 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.

“**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.

“**Physical Determination Date**” means the date that is on or prior to two Business Days following the NOPS Cut-off Date.

“**Physical Settlement Cut-Off Date**” shall have the meaning specified in Credit Linked Condition 5(c).

“**Physical Settlement Date**” means the date that is:

- i) a) the number of Business Days specified in the applicable Final Terms after the date of delivery of the Notice of Physical Settlement; or
- ii) b) if such number of Business Days is not so specified, (i) thirty (30) Business Days after the date of delivery of the Notice of Physical Settlement or (ii) two Business Days following the last day of the longest Physical Settlement Period, if later.

“**Physical Settlement Matrix**” means the Credit Derivatives Physical Settlement Matrix Supplement to the Credit Derivatives Definitions, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in the Final Terms) and as published by ISDA, currently at www.isda.org, provided that any reference therein to (a) "Confirmation" shall be deemed to be a reference to the applicable Final Terms; (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Settlement Currency, (c) "Section 3.3 of the Definitions" shall be deemed to be a reference to "Credit Event Notice" as

defined in this Credit Linked Condition 15, (d) "Section 3.9" shall be deemed to be a reference to Credit Linked Condition 11 and (e) "Section 8.6" shall be deemed to be a reference to "Physical Settlement Period" as defined in this Credit Linked Condition 15.

"Physical Settlement Period" means, subject to Condition 5 of these Credit Linked Conditions, with respect to a Deliverable Obligation comprising any Relevant Proportion of the Deliverable Obligations, the period specified in the applicable Final Terms or, if no period is so specified in the applicable Final Terms, the longest number of Business days for settlement in accordance with then current market practice of such Deliverable Obligations, as determined by the Calculation Agent, provided that if the Issuer has notified the Noteholders 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.

"Post Dismissal Additional Period" means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is fourteen 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 Trade 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, as determined on the basis of Publicly Available Information by the Calculation Agent.

"Potential Repudiation/Moratorium" means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.

“Prior Deliverable Obligation” means:

- (a) 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 sub-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
- (b) 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.

“Prior Reference Obligation” means in circumstances where there is no Reference Obligation applicable to a Reference Entity for the purposes of the Notes, (a) the Reference Obligation most recently applicable thereto, if any, and otherwise, (b) the obligation specified in the applicable Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (c) any unsubordinated Borrowed Money obligation of the Reference Entity.

“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.

“Prohibited Action” means any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in sub-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.

“Public Source” means each source of Publicly Available Information specified as such in the applicable Final Terms (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized 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 a Repudiation/Moratorium Extension Notice have occurred and which:

- (a) 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);
- (b) is information received from or published by (i) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other regulatory authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or
- (c) is information contained in any order, decree, notice, petition or filing, however 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 sub-clauses (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 the type described in sub-clauses (b) or (c) above, each Noteholder may assume that such information has been disclosed to it without violating any law, agreement or understanding or other restriction regarding the confidentiality of such information and that the Calculation Agent 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 third parties.

Without limitation, Publicly Available Information need not state (i) in relation to a Downstream Affiliate, the percentage of Voting Shares owned by the Reference Entity and (ii) that the relevant occurrence (A) has met the Payment Requirement or Default Requirement, (B) is the result of exceeding any applicable Grace Period or (C) 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 sub-clauses (a) and (b) of the definition of Repudiation/Moratorium.

“Qualifying Affiliate Guarantee” means a Qualifying Guarantee provided by the 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 or principal and interest (except for amounts which are not covered due to the exercise of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee or 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
- (b) 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 applicable Final Terms; or
 - (B) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms in respect of the relevant Reference Entity.

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 (1) a non-payment in respect of the guarantee or the Underlying Obligation, or (2) 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:

- (x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and
- (y) 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 applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

“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.

“Quotation” means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Reference Obligation’s Outstanding Principal Balance or Due and Payable Amount, as applicable, with respect to a Valuation Date in the following manner:

- a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

“Quotation Amount” means the sum so specified in the applicable Final Terms (or, its equivalent in the relevant Obligation Currency 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) provided that if no such sum is specified, the Quotation Amount shall be (a) an amount equal to the aggregate outstanding principal amount of the Notes or, in the case of Linear Basket Credit Linked Notes, the Related Nominal Amount of the relevant Reference Entity or (b) in the case of a Restructuring (if applicable), an amount equal to the relevant Exercise Amount.

“Quotation Dealer” means a dealer (other than the relevant Issuer or any Affiliate of the relevant Issuer, unless otherwise specified in the applicable Final Terms) in obligations of the type of Obligation(s) for which Quotations are to be obtained, as selected by the Calculation Agent.

“Quotation Method” means the Quotation Method specified in the applicable Final Terms by reference to one of the following terms:

- a) "Bid" means that only bid quotations shall be requested from Quotation Dealers;
- b) "Offer" means that only offer quotations shall be requested from Quotation Dealers; or
- c) "Mid-market" means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for purposes of determining a relevant Quotation Dealer's quotation.

If a Quotation Method is not specified in the applicable Final Terms, Bid shall apply.

“Recovery Amount” means, save as otherwise specified in the applicable Final Terms, an amount in the Settlement Currency divided by the Nominal Amount which shall in turn be divided, if applicable, by the applicable Currency Rate, determined by the Calculation Agent as being equal to the proceeds, if any, actually received by the Issuer upon the sale or disposal of (a) a nominal amount of the Reference Obligation(s) equal to the aggregate outstanding principal amount of the Notes or (b) in the case of a Restructuring (if applicable), a nominal amount of the Reference Obligation(s) equal to the relevant Exercise Amount or (c) in the case of a Linear Basket Credit Linked Note, a nominal amount of the Reference Obligation(s) equal to the relevant Related Nominal Amount or (d) in the event that Credit Linked Condition 5(f)(iii) applies, the Undeliverable Obligation, Undeliverable Loan Obligation or Undeliverable Participation, as the case may be, in each case subject to deduction of any amount of any taxes, fees, or costs that may be incurred by the Issuer. For the avoidance of doubt, in the event that there is more than one Reference Obligation, the Issuer shall determine, in its sole and absolute discretion, the selection of Reference Obligations for such sale or disposal.

“Reference Entity” or **“Reference Entities”** means the entity or entities specified as such in the applicable Final Terms, and any Successor either (a) as determined by the Calculation Agent on or following the Trade 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 Trade Date shall, in each case, with effect from the Succession Date, be the Reference Entity.

“Reference Obligation” means the Standard Reference Obligation, if any, unless:

- a) "Standard Reference Obligation" is specified as not applicable in the applicable Final Terms, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or
- b) (i) "Standard Reference Obligation" is specified as applicable in the applicable Final Terms (or no election is specified in the applicable Final Terms), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in the applicable Final Terms, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) 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.

“Reference Obligation Only” means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only.

“Reference Obligation Only Notes” means Notes in respect of which (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category in the applicable Final Terms and (b) "Standard Reference Obligation" is specified as not applicable in the applicable Final Terms. If a Substitution Event occurs with respect to the Reference Obligation applicable to Reference Obligation Only Notes, such Reference Obligation shall continue to be the Reference Obligation.

Notwithstanding the other provisions of these Credit Linked Conditions, (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (ii) if the events set out in sub-paragraphs (b) or (c) of the definition of Substitution Event occur with respect to the Reference Obligation in a Reference Obligation Only Trade, such Reference Obligation shall continue to be the Reference Obligation.

“Related Nominal Amount” means, in respect of a Reference Entity, the amount specified as such in the applicable Final Terms.

“Relevant City Business Day” has the meaning given to that term in the DC Rules.

“Relevant Guarantee” means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in the applicable Final Terms, a Qualifying Guarantee.

If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:

- a) For the 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.
- b) For the 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 specified in the applicable Final Terms from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency", and "Not Domestic Law".
- c) 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 Deliverable Obligation Characteristics specified in the applicable Final 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".
- d) For the purposes of the application of the Obligation Characteristics or Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

“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.

“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:

- a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- b) if there is a Steps Plan, the Calculation Agent shall, for the purposes of determination required to be made under sub-paragraph (a) of the definition of Successor, 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;
- c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Notes are a Senior Transaction, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and
- d) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the Notes are a Subordinated Transaction, 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 the Notes were a Senior Transaction.

"Relevant Proportion" means the proportion which the principal amount of the Note or Notes the subject of an Asset Transfer Notice bears to the aggregate principal amount of all Notes outstanding (including those the subject of the Asset Transfer Notice) immediately prior to the date set for redemption.

"Remaining Amount" has the meaning set out in Credit Linked Condition 7(c)(iii).

"Repudiation/Moratorium" means the occurrence of both 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) 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.

"Repudiation/Moratorium Evaluation Date" means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Observation End 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, if 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 Observation End Date unless the Repudiation/Moratorium Extension Condition is satisfied.

The **"Repudiation/Moratorium Extension Condition"** is satisfied:

- a) if the Calculation Agent determines that the DC Secretary has publicly announced, pursuant to a valid request that was delivered and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Observation End 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 Scheduled Observation End Date and such Resolution constitutes an Applicable Resolution; or
- b) otherwise by the delivery of a Repudiation/Moratorium Extension Notice and, if specified as applicable in the applicable Final Terms, a Notice of Publicly Available Information, by the Issuer to Noteholders in accordance with these Credit Linked Conditions prior to the Scheduled Maturity Date.

In all cases, the Calculation Agent may determine that the Repudiation/Moratorium Extension Condition has not been satisfied, or is not 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 (i) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity or (ii) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Scheduled Observation End Date, in each case provided that the Calculation Agent determines such Resolution is an Applicable Resolution.

“Repudiation/Moratorium Extension Notice” means an irrevocable notice from the Issuer to the Noteholders in accordance with these Credit Linked Conditions that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Observation End 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 to be continuing on the date the Repudiation/Moratorium Extension Notice is delivered.

“Resolve”, “Resolved”, “Resolves” and “Resolving” means, with respect to a Credit Derivatives Determinations Committee, the making of a specific determination in accordance with the relevant Rules (and each such determination, a “DC Resolution”).

“Restructured Bond or Loan” means an Obligation that is a Bond or Loan in respect of which the relevant Restructuring has occurred.

“Restructuring” means:

- a) 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, is agreed between the Reference Entity or a Governmental Authority and the holder or holders of such 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 exchange), and such event is not provided for under the terms of such Obligation in effect as of the later of the relevant Credit Event Backstop Date and the date as of which such obligation is issued or incurred:
 - i) i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
 - ii) ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - iii) iii) 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;
 - iv) iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation; or
 - v) v) 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).

- b) Notwithstanding the provisions of sub-paragraph (a) of this definition of Restructuring, none of the following shall constitute a Restructuring:
- vi) i) 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;
 - vii) ii) 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;
 - viii) iii) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(i) to (v) of this definition of Restructuring, due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
 - ix) iv) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a) (i) to (v) of this definition of Restructuring, 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 (a)(v) 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.
- c) For the purposes of sub-paragraphs (a) and (b) of this definition of Restructuring, 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 sub-paragraph (a) shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in sub-paragraph (b) shall continue to refer to the Reference Entity.
- d) If an exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (a)(i) to (v) 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.

- e) Unless Multiple Holder Obligation is specified as not applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in (a), (b) or (c) above, the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

“**Restructuring Date**” means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing the Restructuring.

“**Restructuring Maturity Limitation Date**” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Observation End 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 Observation End Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

“**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.

“**Scheduled Observation End Date**” means the date specified as such in the applicable Final Terms, or if no date is so specified, the Scheduled Maturity Date. The Scheduled Observation End Date shall not be subject to adjustment in accordance with any Business Day Convention.

“**Senior Obligation**” means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

“**Senior Transaction**” means a Notional Credit Derivative Transaction 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.

“**Seniority Level**” means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in the applicable Final Terms, or (b) if no such seniority level is specified in the applicable Final 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, failing which (c) "Senior Level".

“**Settlement Basis**” means Cash Settlement, Physical Settlement and/or Auction Settlement, as specified in the applicable Final Terms or Credit Event Notice.

“**Settlement Currency**” means the currency specified in the applicable Final Terms.

“**Settlement Date**” means either the Cash Settlement Date, the Physical Settlement Date or the Auction Settlement Date, as applicable.

“Settlement Election End Date” means the later of:

- a) the last day of the period described in sub-paragraph (a) of the definition of "Credit Event Determination Date"; and
- b) the last day of the latest of the periods described in the definition of "NOPS Cut-off Date".

“Single Name Credit Linked Notes” means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of one Reference Entity alone and pursuant to which, upon the occurrence of a Credit Event Determination Date with respect to the single Reference Entity, the Notes will be redeemed in accordance with the relevant Settlement Basis.

“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.

“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.

“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.

“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 Notice or DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation set out in sub-paragraph (a) of 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.

“Specified Currency” means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Specified Currency is selected as an Obligation Characteristic or Deliverable Obligation Characteristic in the applicable Final 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 euro, regardless of any redenomination thereunder 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.

“Specified Number” means the number of Public Sources specified in the applicable Final Terms (or, if no such number is specified, two).

“**SRO List**” means the list of Standard Reference Obligations as 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.

“**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.

“**Standard Specified Currency**” means each of 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).

“**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.

“**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.

“**Subordinated Transaction**” means a Notional Credit Derivative Transaction for which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

“**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 (a) 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 (b) 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, (i) 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 (ii) 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 applicable, 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.

“**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 by the Calculation Agent as follows:

- a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with subparagraphs (c), (d) and (e) 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.

- b) If any of the events set forth under sub-paragraphs (a) or (c) of the definition of Substitution Event 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 sub-paragraph (c)(ii) below. If the event set forth in sub-paragraph (b) of the definition of Substitution Event 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 forth under sub-paragraphs (a) or (c) of the definition of Substitution Event 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) (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date: (1) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available, (2) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; (B) 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: (1) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available, (2) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or if no such obligation is available, (3) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available, (4) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of Deliverable Obligation; or (C) 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: (1) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available, (2) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available, (3) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) Deliverable Obligation; or if no such obligation is available, (4) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) Deliverable Obligation.

- d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (c) above, 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 under the Notes, as determined by the Calculation Agent. The Calculation Agent will notify the parties of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (c) above 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 sub-paragraph (a) above and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (b) above, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

“**Substitution Date**” means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer of the Substitute Reference Obligation that it has identified.

“**Substitution Event**” means, with respect to the Non-Standard Reference Obligation:

- a) the Non-Standard Reference Obligation is redeemed in whole;
- b) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or
- c) 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).

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.

If an event described in sub-paragraphs (a) or (b) above has occurred on or prior to the Issue Date, then a Substitution Event shall be deemed to have occurred pursuant to sub-paragraphs (a) or (b) above, as the case may be, on the Trade Date.

- x) “**Substitution Event Date**” means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

“**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 such purposes and the definition of “**Successor**”, the terms “**succeeded**” and “**succession**” shall be construed accordingly.

In the case of an exchange offer, the determination required pursuant to the definition of Successor shall be made on the basis of the outstanding principal balance of Relevant Obligations and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

“**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 for the purposes of the definition of “**Successor**” would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of a Credit Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

“**Succession Event**” means the 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 in accordance with these Credit Linked Conditions.

“**Successor**” means:

- a) means the entity or entities, if any, determined by the Calculation Agent as follows:
 - i) subject to sub-paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor for (a) if the Notes are not Linear Basket Credit Linked Notes, the entire principal amount of the Notes then outstanding or (b) if the Notes are Linear Basket Credit Linked Notes, the entire Related Nominal Amount of that original Reference Entity then outstanding;
 - ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor for (a) if the Notes are not Linear Basket Credit Linked Notes, the entire principal amount of the Notes then outstanding or (b) if the Notes are Linear Basket Credit Linked Notes, the entire Related Nominal Amount of that original Reference Entity then outstanding;
 - iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the

Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor in respect of (a) if the Notes are not Linear Basket Credit Linked Notes, a portion of the principal amount of the Notes then outstanding or (b) if the Notes are Linear Basket Credit Linked Notes, a portion of the Related Nominal Amount of the original Reference Entity then outstanding, in each case subject to and in accordance with Credit Linked Condition 10 (*Succession Event*);

- iv) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five 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 in respect of (a) if the Notes are not Linear Basket Credit Linked Notes, a portion of the principal amount of the Notes then outstanding or (b) if the Notes are Linear Basket Credit Linked Notes, a portion of the Related Nominal Amount of the original Reference Entity then outstanding, in each case subject to and in accordance with Credit Linked Condition 10 (*Succession Event*);
 - 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 twenty-five 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 for the purposes of the Credit Linked Conditions will not be changed in any way as a result of the Succession Event;
 - 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 twenty-five 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); and
 - vii) in respect of a Reference Entity which is not a Sovereign, if one entity as determined by the Calculation Agent 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.
- b) 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 in respect of which the Succession Date occurred on or after 1 January 2014;
- 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; and
- iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

“**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 (a) the date on which the Successor Notice is effective and (b) in circumstances where (i) a Successor Resolution Request Date has occurred, (ii) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (iii) the Successor Notice is delivered not more than fourteen 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.

“**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.

“**Successor Notice**” means an irrevocable notice from the Calculation Agent to the Issuer 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.

A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be for the purposes of the definition of "Successor".

“**Trade Date**” means for the purposes of these Credit Linked Conditions and in respect of any Notes, the date specified as such in paragraph 31 of the applicable Final Terms.

“**Transaction Auction Settlement Terms**” means the Credit Derivatives Auction Settlement Terms for which the relevant Notional Credit Derivative Transaction would be an Auction Covered Transaction.

“**Transaction Type**” means, unless otherwise specified in the Final Terms, for the purposes of the application of the Physical Settlement Matrix to the Notes, each Reference Entity designated as one of the following in the Final Terms:

- a) North American Corporate;
- b) European Corporate;
- c) Australian Corporate;
- d) New Zealand Corporate;

- e) Japan Corporate;
- f) Singapore Corporate;
- g) Asia Corporate;
- h) Subordinated European Insurance Corporate;
- i) Emerging European Corporate;
- j) Latin American Corporate (B);
- k) Latin American Corporate (B&L);
- l) Asia Sovereign;
- m) Emerging European & Middle Eastern Sovereign;
- n) Japan Sovereign;
- o) Australia Sovereign;
- p) New Zealand Sovereign;
- q) Singapore Sovereign;
- r) America Sovereign;
- s) Western European Sovereign;

and any other Transaction Type which may be added to the Physical Settlement Matrix from time to time.

“**Transaction Type Standard Terms**” means, unless otherwise specified in the Final Terms, in respect of any Transaction Type specified in the Final Terms as a Reference Entity, the relevant terms corresponding to such Transaction Type contained in the Physical Settlement Matrix.

“**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:

- a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (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);
- b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
- c) restrictions in respect of blocked periods on or around payment dates or voting periods.

“**Uncured Default**” means a Potential Failure to Pay has occurred and neither a Credit Event as a result of a Failure to Pay nor a Default Correction Date has occurred.

“**Undeliverable Loan Obligations**” “**Undeliverable Obligations**” and “**Undeliverable Participations**” shall each have the meaning specified in Credit Linked Condition 5(f)(ii).

“**Underlying Obligation**” means, with respect to a guarantee, the obligation which is the subject to 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.

“**Valuation Date**” means:

- a) if “Single Valuation Date” is specified in the applicable Final Terms, subject to Credit Linked Condition 7 (*Suspension Terms*), the date that is the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the Credit Event Determination Date (or if the Credit Event Determination Date occurs pursuant to sub-paragraph (a)(ii) of the definition of “Credit Event Determination Date” or sub-paragraph (b)(i) of the definition of Non-Standard Event Determination Date, the day on which the DC Credit Event Announcement occurs) (or, if “Cash Settlement” is applicable pursuant to the Fallback Settlement Basis in accordance with Credit Linked Condition 6 (*Auction Settlement*), the date that is the number of Business Days specified in the applicable Final 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
- b) if “Multiple Valuation Dates” is specified in the applicable Final Terms, each of the following dates:
 - i) subject to Credit Linked Condition 7 (*Suspension Terms*), the date that is the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the Credit Event Determination Date (or if the Credit Event Determination Date occurs pursuant to sub-paragraph (a)(ii) of the definition of “Credit Event Determination Date” or sub-paragraph (b)(i) of the definition of Non-Standard Event Determination Date, the day on which the DC Credit Event Announcement occurs) (or, if “Cash Settlement” is applicable pursuant to the Fallback Settlement Basis in accordance with Credit Linked Condition 6 (*Auction Settlement*), the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the relevant Auction Cancellation Date, if any, or No Auction Announcement Date, if any, as applicable); and
 - xi) ii) each successive date that is the number of Business Days specified in the Final 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 Reference Obligation with respect to the immediately preceding Valuation Date.

When “Multiple Valuation Dates” is specified in the applicable Final Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the Final Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

If neither “Single Valuation Date” nor “Multiple Valuation Dates” is specified in the applicable Final Terms, Single Valuation Date shall apply.

“**Valuation Method**” means, subject to Credit Linked Condition 4(c), Market, Average Market, Highest or Average Highest, as specified in the applicable Final Terms.

“**Valuation Time**” means such time as is specified in the applicable Final Terms.

“**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.

“**Weighted Average Quotation**” means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of any Deliverable Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but of a size at least equal to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.