



ING Bank N.V.

(Incorporated in The Netherlands with its statutory seat in Amsterdam)

Certificates Programme

Under this Certificates Programme (the “**Programme**”), ING Bank N.V. (the “**Issuer**”, which expression shall include any Substituted Obligor (as defined in Condition 11 of the General Certificate Conditions)) may from time to time issue certificates (the “**Certificates**” as more fully defined in the section entitled “General Certificate Conditions”). The Certificates issued under the Programme by the Issuer shall include Certificates relating to indices, shares, currencies, commodities, funds, government bonds and index futures contracts. Certificates may be denominated in any currency determined by the Issuer. At the discretion of the Issuer and as specified in the applicable Final Terms, Certificates are offered and/or listed under the name “Sprinter Certificates” or “ING Turbo Certificates”. There is no limit on the number of Certificates which may be issued under the Programme. The Certificates will not contain any provision that would oblige the Issuer to gross-up any amounts payable thereunder in the event of any withholding or deduction for or on account of taxes levied in any jurisdiction. The Certificates will be issued on a continuing basis by the Issuer to purchasers thereof.

This Base Prospectus was approved by the Netherlands Authority for the Financial Markets (the “**AFM**”) for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the “**Prospectus Directive**”) on 28 March 2012. The AFM has provided the competent authorities in each of Belgium and France with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive. Application has been made for Certificates issued under the Programme for the period of 12 months from the date of this Base Prospectus (i) to be admitted to trading on NYSE Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. (“**Euronext Amsterdam**”) and to be admitted to trading on the regulated market of Euronext Paris S.A. (“**Euronext Paris**”) and (ii) to be offered to the public in Belgium, France and The Netherlands. Certificates may be listed on such other or further stock exchange or stock exchanges as may be determined by the Issuer, and may be offered to the public in other jurisdictions also. The Issuer may also issue unlisted and/or privately placed Certificates. References in this Programme to Certificates being “listed” (and all related references) shall mean that such Certificates have been admitted to trading and have been listed on Euronext Amsterdam and/or Euronext Paris and/or such other or future stock exchange(s) which may be agreed and which are specified in the applicable Final Terms. Euronext Amsterdam and Euronext Paris are regulated markets for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, as amended from time to time (the “**Markets in Financial Instruments Directive**”).

The Issuer may decide to issue Certificates in a form not contemplated by the terms and conditions of the Certificates herein. In any such case a supplement to this Base Prospectus, if appropriate, will be made available which will describe the form of such Certificates. Prospective investors should have regard to the factors described under the section entitled “Risk Factors” in this Base Prospectus.

This Base Prospectus should be read and construed in conjunction with the Registration Document (as defined below).

Arranger

ING COMMERCIAL BANKING

BASE PROSPECTUS

Dated 28 March 2012

The Issuer has a senior debt rating from Standard & Poor's Credit Market Services Europe Limited (“**Standard & Poor’s**”), Moody’s France SAS (“**Moody’s**”) and Fitch Ratings Ltd. (“**Fitch**”), details of which are contained in the Registration Document. Standard & Poor's, Moody’s and Fitch are established in the European Union and are registered under the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended from time to time (the “**CRA Regulation**”).

Tranches of Certificates issued under the Programme may be rated or unrated. Where a Tranche of Certificates is rated, such rating will not necessarily be the same as the ratings assigned to the Issuer. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

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SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Certificates should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference. Civil liability in respect of this summary, including any translation thereof, will attach to the Issuer in any Member State of the European Economic Area (“EEA”) in which the relevant provisions of the Prospectus Directive have been implemented, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in such a Member State, the plaintiff investor may, under the national legislation of that Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Issuer:

ING Bank N.V.

ING Bank N.V. is part of ING Groep N.V. (“**ING Group**”). ING Group is the holding company of a broad spectrum of companies (together called “**ING**”) offering banking, investments, life insurance and retirement services to about 85 million private, corporate and institutional customers in Europe, the United States, Canada, Latin America, Asia and Australia. ING Bank N.V. is a wholly-owned, non-listed subsidiary of ING Groep N.V. ING Bank N.V. is a large international player with an extensive global network in over 40 countries. It has strong established positions in The Netherlands, Belgium and Luxembourg and key positions in Poland, Romania and Turkey, the largest Central and Eastern Europe markets. ING Bank N.V. holds strong positions in Germany, France, Italy, Spain, the United Kingdom and the United States. ING Bank N.V. also has profitable businesses in Canada and Asia/Pacific. It has an extensive international network to service and support its corporate clients. From 1 January 2011, ING Bank N.V. began operating as a stand-alone company.

ING Bank N.V. is active through the following business lines: Retail Banking, including ING Direct, and Commercial Banking.

Further information in relation to the Issuer is set out in the Registration Document.

General Risk Factors:

- There are certain factors which are material for the purpose of assessing the risks associated with an investment in Certificates issued under the Programme. If a prospective investor does not have sufficient knowledge and experience in financial, business and investment matters to permit it to make such an assessment, the investor should consult with its independent financial adviser prior to investing in a particular issue of Certificates. Certificates may not be a suitable investment for all investors. The Issuer, including its branches and

any group company, is acting solely in the capacity of an arm's length contractual counterparty and not as a purchaser's financial adviser or fiduciary in any transaction unless the Issuer has agreed to do so in writing. Investors risk losing their entire investment or part of it if the value of the Certificates does not move in the direction which they anticipate. Certificates are generally complex financial instruments. A potential investor should not invest in Certificates unless it has the expertise (either alone or with an independent financial adviser) to evaluate how the Certificates will perform under changing conditions, the resulting effects on the value of the Certificates and the impact this investment will have on the potential investor's overall investment portfolio.

- Even if application is made to list Certificates on a stock exchange, there can be no assurance that a secondary market for such Certificates will develop or, if it does, that it will provide holders with liquidity for the life of the Certificates.
- The ability of the Issuer to make payments under the Certificates is subject to general credit risks, including credit risks of borrowers. Third parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations.
- Tranches of Certificates issued under the Programme may be rated or unrated and one or more independent credit rating agencies may assign additional credit ratings to the Certificates or the Issuer. 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 Certificates and the ability of the Issuer to make payments under the Certificates (including but not limited to market conditions and funding related and operational risks inherent to the business of the Issuer). A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant.
- Prospective purchasers intending to purchase Certificates to hedge against the market risk associated with investing in an index, share, currency, commodity, fund, government bond, index futures contract or other asset or basis of reference, should recognise the complexities of

utilising Certificates in this manner. For example, the value of the Certificates may not exactly correlate with the value of the index, share, currency, commodity, fund, government bond, index futures contract or other asset or basis of reference.

- The Calculation Agent for an issue of Certificates is the agent of the Issuer and not the agent of the holders of the Certificates. It is possible that the Issuer will itself be the Calculation Agent for certain issues of Certificates. In making determinations and adjustments, the Calculation Agent will be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.
- An investor's total return on an investment in Certificates will be affected by the level of fees charged to the investor, including fees charged to the investor as a result of the Certificates being held in a clearing system. Investors should carefully investigate these fees before making their investment decision.
- The Issuer and its affiliates may engage in trading activities related to interests underlying any Certificates, may act as underwriter in connection with future offerings of shares or other securities related to an issue of Certificates, or may act as financial adviser to certain companies whose securities impact the return on Certificates. Such activities could present certain conflicts of interest and could adversely affect the value of such Certificates.
- The general summaries of certain Dutch, Belgian and French tax considerations included in this Base Prospectus relating to an investment in the Certificates issued by the Issuer may not apply to a particular holder of Certificates or to a particular issue and do not cover all possible tax considerations. In addition, the tax treatment may change before the maturity, exercise or termination date of Certificates.
- The insolvency laws of the Issuer's place of incorporation may be different from the insolvency laws of an investor's home jurisdiction.
- The structure of the issue of the Certificates and the ratings which may be assigned to them are based on the law of the jurisdiction governing such Certificates in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to the law in such jurisdiction or administrative practice in such jurisdiction after the date of this Base Prospectus

For more details on the general risk factors affecting Certificates to be issued under the Programme, see the section entitled “Risk Factors – General Risk Factors”.

Risk Factors Relating to the Issuer:

The term Issuer as used hereunder refers, where the context so permits, to any subsidiary of the Issuer.

- Because the Issuer is part of an integrated financial services group conducting business on a global basis, the revenues and earnings of the Issuer are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which it conducts business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect, the profitability of the Issuer.
- Adverse capital and credit market conditions may impact the Issuer’s ability to access liquidity and capital, as well as the cost of credit and capital.
- The default of a major market participant could disrupt the markets.
- Because the Issuer’s businesses are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, the Issuer may experience an abrupt interruption of activities, which could have an adverse effect on its financial condition.
- The Issuer operates in highly regulated industries. There could be an adverse change or increase in the financial services laws and/or regulations governing its business.
- Turbulence and volatility in the financial markets have adversely affected the Issuer, and may continue to do so.
- Because the Issuer operates in highly competitive markets, including its home market, it may not be able to increase or maintain its market share, which may have an adverse effect on its results of operations.
- Because the Issuer does business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on its results of operations.
- Improving market conditions observed over the last year may not persist and increase the risk of loans being impaired. The Issuer is exposed to declining property values on the collateral supporting residential and commercial real estate lending.
- Interest rate volatility may adversely affect the Issuer’s

profitability.

- The Issuer may incur losses due to failures of banks falling under the scope of state compensation schemes.
- The Issuer may be unable to manage its risks successfully through derivatives.
- Because the Issuer uses assumptions to model client behaviour for the purpose of its market risk calculations, the difference between the realisation and the assumptions may have an adverse impact on the risk figures and future results.
- The Issuer may incur further liabilities in respect of its defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations, including as a result of differences between results and underlying actuarial assumptions and models.
- The Issuer's risk management policies and guidelines may prove inadequate for the risks it faces.
- The Issuer is subject to a variety of regulatory risks as a result of its operations in certain countries.
- Because the Issuer is continually developing new financial products, they might be faced with claims that could have an adverse effect on the Issuer's operations and net results if clients' expectations are not met.
- Ratings are important to the Issuer's businesses for a number of reasons. Downgrades could have an adverse impact on the Issuer's operations and net results.
- The Issuer's business may be negatively affected by a sustained increase in inflation.
- Operational risks are inherent in the Issuer's business.
- The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the financial services industry in general.
- The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of ING and involve significant costs and uncertainties that could materially impact the Issuer.
- The limitations agreed with the EC on ING's ability to compete and to make acquisitions or call certain debt instruments could materially impact the Issuer.

- Upon the implementation of the Restructuring Plan, ING will be less diversified and the Issuer may experience competitive and other disadvantages.
- ING's Restructuring Programs may not yield intended reductions in costs, risk and leverage.
- ING's agreements with the Dutch State impose certain restrictions regarding the issuance or repurchase of its shares and the compensation of certain senior management positions.

For more details on the risk factors relating to the Issuer, see the section entitled "Risk Factors" in the Registration Document.

Risk Factors relating to Certificates:

Terms used but not defined previously in this Base Prospectus or below are as defined in the section entitled "General Certificate Conditions".

- The Certificates are financial instruments which are either (i) Open Ended Certificates (as defined below) without a fixed maturity or expiration date, which can be exercised by the Certificateholder, or (ii) Limited Certificates (as defined below) with a fixed maturity or expiration date, which will be exercised automatically on the Final Valuation Date. Both Open Ended Certificates and Limited Certificates can be terminated by the Issuer and may automatically terminate if the Underlying (as defined below) reaches a pre-determined level. Investors in the Certificates should be aware that their entire investment may be lost if the Underlying is at an unfavourable level upon exercise or termination, as the case may be.
- A feature of Certificates is the stop-loss which, if breached, will result in the early termination of the relevant Certificates. In the case of Limited Certificates, following such Stop Loss Event the cash amount to be received by a Certificateholder will always be zero.
- The Certificates are short or long Certificates which entail particular risks. "Short Certificates" are certificates that are designed to enable the investor to profit from declining markets by tracking the Underlying in an inverse manner. If the value of the Underlying drops, the value of the short Certificate is expected to rise by an equivalent amount, taking into account any applicable foreign exchange rate. "Long Certificates" are certificates that are designed to enable the investor to profit from rising markets by tracking the Underlying. If the value of the Underlying rises, the value of the long Certificate is expected to rise by an equivalent amount, taking into

account any applicable foreign exchange rate.

- The Certificates may not be a suitable investment for all investors and each potential investor must determine the suitability in light of its own circumstances. Certificates are generally complex financial instruments and a potential investor should not invest in the Certificates unless it has the relevant experience.
- Several factors will influence the value of the Certificates and many of which are beyond the Issuer's control. Such factors include changes in the value of the Underlying, interest rate risk with respect to the currency of denomination of the Underlying and/or the Certificates, the volatility of the Underlying, fluctuations in the rates of exchange or value of currencies relating to the Certificates and/or the Underlying, restrictions on the exchangeability of currencies relating to the Certificates and/or the Underlying, disruptions affecting the value or settlement of the Certificates and/or the Underlying and the creditworthiness of the Issuer.
- There may not be a secondary market in the Certificates. As a consequence, liquidity in the Certificates should be considered as a risk. In the event that such a secondary market does not develop, an investor selling the Certificates is unlikely to be able to sell its Certificates or at prices that will provide him with a yield comparable to similar investments that have developed a secondary market.
- As part of its issuing, market making and/or trading arrangements, the Issuer may issue more Certificates than those which are to be subscribed or purchased by third-party investors. The issue size is therefore not indicative of the depth or liquidity of the market or of the demand for such series of Certificates.
- The Certificates may not be a perfect hedge to an Underlying nor may it be possible to liquidate the Certificates at a level which directly reflects the price of the Underlying.
- The Issuer and/or its affiliates may enter into transactions or carry out other activities in relation to the Underlying which may affect the market price, liquidity or value of the Underlying and/or the Certificates in a way which could be adverse to the interest of the Certificateholders.
- The Issuer's hedging arrangement (if any) in the jurisdiction of the relevant Underlying could be impacted by foreign exchange control restrictions. In certain circumstances, including the insolvency of the hedging

counterparty or the unenforceability of the associated hedging transaction (if any), the investor may lose some or all of its investment.

- The Certificate convey no interest in the Underlying to the investors. The Issuer may choose not to hold the Underlying or any derivative contracts linked to the Underlying.
- The Calculation Agent is the agent of the Issuer and not the Certificateholders. The Calculation Agent may make adjustments as a result of certain corporate actions affecting the Underlying. In making such adjustments, the Calculation Agent is entitled to exercise substantial discretion and may be subject to conflicts of interest.
- The Issuer may limit the number of Certificates exercisable on any date (other than the final exercise date) or by any person on any date. An investor may have to tender a specified minimum number of the Certificates in order to exercise the Certificates.
- There may be a delay between the time of exercise of the Certificates and the determination of the amount payable following such exercise. Such delay may increase or decrease the return from the Certificates.
- Certificates not exercised in accordance with the Conditions will (where exercise is required) expire worthless.
- Expenses may be payable by investors.
- Taxes may be payable by investors and tax regulations and their application may change from time to time. Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Certificates in its particular circumstances.
- If payments on the Certificates are or become subject to a withholding or deduction required by law, the Issuer shall not pay any additional amounts to the Certificateholders in respect of such withholding or deduction.
- The Issuer may elect to cancel the Certificates early should U.S. withholding tax apply to any current or future payments on the Certificates.
- The Issuer may terminate the Certificates early if it determines that the performance of its obligations under the Certificates or that maintaining its hedging arrangement (if any) is no longer legal or practical in

whole or in part for any reason.

- The return on an investment in Certificates will be affected by charges incurred by investors.
- No assurance can be given as to the impact of any possible change to English law or administrative practice. English law may be materially different from the equivalent law in the home jurisdiction of prospective investors.
- Credit ratings assigned to the Certificates may not reflect the potential impact of all the risks that may affect the value of the Certificates.
- The investment activities of investors may be restricted by legal investment laws and regulations, or by the review or regulation by certain authorities.
- Under certain circumstances the Issuer may make modifications to the Certificates without the consent of the Certificateholders which may affect the Certificateholders' interest.

For more details on the risk factors relating to Certificates, see the section entitled "Risk Factors – Risk Factors Relating to Certificates".

Programme:

Certificates Programme

Under this Certificates Programme, the Issuer may from time to time issue Certificates. The Certificates may or may not be listed on a stock exchange. There is no limit on the number of Certificates which may be issued by the Issuer under the Programme.

The applicable terms of any Certificates will be determined by the Issuer. Such terms will be set out in the General Certificate Conditions and the relevant Product Conditions endorsed on, or incorporated by reference to reference into, the Certificates, as modified and supplemented by the applicable Final Terms attached to, or endorsed on, or applicable to such Certificates, as more fully described in the section entitled "Terms and Conditions of the Certificates" herein.

For an overview of the Certificates which may be issued under the Programme, see the section entitled "Overview".

Arranger:

ING Bank N.V., trading as ING Commercial Banking

Ratings:

The Issuer has a senior debt rating from Standard & Poor's, Moody's and from Fitch, details of which are contained in the Registration Document. Tranches of Certificates issued under the Programme may be rated or unrated. Where a Tranche of Certificates is rated, such rating will be specified in the relevant

Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Selling and Transfer Restrictions:

There are selling and transfer restrictions in relation to issues of Certificates as described in “Subscription and Sale” below. Further restrictions may be specified in the applicable Final Terms.

Listing and Public Offers:

Application has been made for the Certificates to be issued by the Issuer (i) to be admitted to trading on Euronext Amsterdam, and to be admitted to trading on Euronext Paris and (ii) to be offered to the public in Belgium, France and The Netherlands. The Certificates may also be listed or admitted to trading on such other or further stock exchange or stock exchanges as may be determined by the Issuer. Certificates issued under the Programme may also be offered to the public in jurisdictions other than Belgium, France and The Netherlands.

Unlisted Certificates which are not offered to the public in any jurisdiction, may also be issued by the Issuer.

The Final Terms relating to each issue of Certificates will state whether or not the Certificates are to be listed or admitted to trading, as the case may be and, if so, on which exchange(s) and/or market(s).

Taxation:

This Base Prospectus includes general summaries of certain Dutch, Belgian and French tax considerations relating to an investment in the Certificates issued by the Issuer. Such summaries may not apply to a particular holder of Certificates issued by the Issuer or to a particular issue and do not cover all possible tax considerations. In addition, the tax treatment may change before the maturity, exercise or termination date of Certificates. Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Certificates in its particular circumstances.

Governing Law:

Unless provided otherwise in the applicable Final Terms, the Certificates issued by the Issuer will be governed by, and construed in accordance with, English law.

Additional summarised information on the Certificates and with respect to the Programme can be found in the section entitled “Overview”.

RISK FACTORS

GENERAL RISK FACTORS

Introduction

This Base Prospectus identifies in a general way the information that a prospective investor should consider prior to making an investment in the Certificates. However, a prospective investor should conduct its own thorough analysis (including its own accounting, legal and tax analysis) prior to deciding whether to invest in the Certificates as any evaluation of the suitability for an investor of an investment in the Certificates depends upon a prospective investor's particular financial and other circumstances, as well as on the specific terms of the Certificates. This Base Prospectus is not, and does not purport to be, investment advice or an investment recommendation to purchase Certificates. The Issuer, including its branches and any group company, is acting solely in the capacity of an arm's length contractual counterparty and not as a purchaser's financial adviser or fiduciary in any transaction unless the Issuer has agreed to do so in writing. If a prospective investor does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, the investor should consult with its independent financial adviser prior to deciding to make an investment in the Certificates. Investors risk losing their entire investment or part of it.

Each prospective investor in Certificates must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Certificates (i) is fully consistent with its (or if it is acquiring the Certificates in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with any investment policies, guidelines and restrictions applicable to it (whether acquiring the Certificates as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Certificates in a fiduciary capacity, for the beneficiary). In particular, investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its legal advisers to determine whether and to what extent (i) the Certificates are legal investments for it, (ii) the Certificates can be used as underlying securities for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Certificates.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Certificates under any applicable risk-based capital or similar rules.

Factors that may affect the Issuer's ability to fulfil its obligations under Securities issued

Each prospective investor in Certificates should refer to the section entitled "Risk Factors" in the Registration Document for a description of those factors which could affect the financial performance of the Issuer and thereby affect the Issuer's ability to fulfil its obligations in respect of Certificates issued under the Programme.

Factors which are material for the purpose of assessing the market risks associated with Certificates issued

The Certificates are short or long Certificates which entail particular risks

The Certificates to be issued are either (i) open ended investment instruments without a fixed maturity or expiration date ("**Open Ended Certificates**", which include Best Certificates ("**Best Certificates**")), which can be exercised by the Certificateholder, or (ii) investment instruments with a fixed maturity or expiration date, which will be exercised automatically following a Final Valuation Date ("**Limited Certificates**"). Both Open Ended Certificates and Limited Certificates can either be terminated by the Issuer following an Issuer

Call, exercised by the Certificateholder, and may automatically terminate if the Underlying (as defined below) reaches a pre-determined level. Following any such event, the Certificates pay an amount determined by reference to the level of the underlying index (including in the case of an index, the index and its constituent elements), share, currency, commodity, fund, government bond, index futures contract or other product, subject to the certificate entitlement. Investors should be aware that their entire investment may be lost in the event that the Underlying is valued at an unfavourable level.

The price at which a Certificateholder will be able to sell Certificates may be at a potentially substantial discount to the market value of the Certificates at the issue date, if, at such time and in addition to any other factors, the value of the Underlying is at an unfavourable level.

Certificates track the Underlying either on an open ended basis (in the case of Open-Ended Certificates) or until the relevant Final Valuation Date (in the case of Limited Certificates). The amount needed to invest in a Certificate to give the same participation rate in the Underlying as a direct investment in the Underlying is considerably less. Therefore the percentage gain if the Underlying rises (in the case of long Certificates) or falls (in the case of short Certificates) and the percentage loss if the Underlying falls or rises, respectively, is higher in Certificates than in a direct investment in the Underlying. This is the leverage effect. Investors should be aware that the leverage effect from holding Certificates could result in gaining or losing a greater percentage of the investment than would occur through a direct investment in the Underlying. The maximum loss to the investor is the initial amount invested. Investors must expect to suffer a loss if the market price or value of the Underlying falls (in the case of long Certificates) or rises (in the case of short Certificates). A feature of Certificates is the stop-loss which, if breached, will result in the early termination of the Certificate. In case of Best Certificates and Limited Certificates, following such Stop Loss Event the Cash Settlement Amount to be received by a Certificateholder will always be zero.

Short Certificates enable the investor to profit from declining markets. Short Certificates track the Underlying in an inverse manner. If the value of the Underlying drops, the value of the short Certificate will rise by an equivalent amount, taking into account any applicable foreign exchange rate.

Long Certificates enable the investor to profit from rising markets. Long Certificates track the Underlying. If the value of the Underlying rises, the value of the long Certificate will rise by an equivalent amount, taking into account any applicable foreign exchange rate.

The Certificates may not be a suitable investment for all investors

Each potential investor in the Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Certificates, the merits and risks of investing in the Certificates and the information contained or incorporated by reference in this Base Prospectus or any applicable Final Terms;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Certificates and the impact the Certificates will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Certificates, including Certificates with principal or other amounts payable in one or more currencies, or where the currency for principal or other payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Certificates and be familiar with the behaviour of any relevant indices and financial markets;

- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (f) NOT consider that the issue of Certificates linked to a particular Underlying is a recommendation by the Issuer to invest (whether directly or indirectly) in that Underlying or any of its constituent elements. The Issuer and/or its affiliates may make investment decisions for themselves which differ from those that a potential investor would make by investing in the Certificates. In particular, investment decisions of the Issuer and/or its affiliates are based on their current economic circumstances, overall credit exposure, risk tolerance and economic conditions, which are subject to change. The Issuer is not required to hold the Underlying (or its constituent elements) as a hedge and it may choose not to do so.

Certificates are generally complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Certificates unless it has the expertise (either alone or with a financial adviser) to evaluate how the Certificates will perform under changing conditions, the resulting effects on the value of the Certificates and the impact this investment will have on the potential investor's overall investment portfolio.

The value of the Certificates may fluctuate

The value of the Certificates may move up and down between their date of purchase and their exercise date or maturity date (as the case may be). Certificateholders may sustain a total loss of their investment (unless the Certificates are of a type in which capital is protected). Prospective purchasers should therefore ensure that they understand fully the nature of the Certificates before they invest in the Certificates.

Several factors, many of which are beyond the Issuer's control, will influence the value of the Certificates at any time, including the following:

- (a) *Valuation of the Underlying.* The market price of the Certificates at any time is expected to be affected primarily by changes in the level of the Underlying to which such Certificates are linked. It is impossible to predict how the level of the relevant Underlying will vary over time. Factors which may have an effect on the value of the Underlying include the rate of return of the Underlying and the financial position and prospects of the issuer of the Underlying or any component thereof. In addition, the level of the Underlying may depend on a number of interrelated factors, including economic, financial and political events and their effect on the capital markets generally and relevant stock exchanges. Potential investors should also note that whilst the market value of the Certificates is linked to the relevant Underlying and will be influenced (positively or negatively) by it, any change may not be comparable and may be disproportionate. It is possible that while the Underlying is increasing in value, the value of the Certificates may fall. Further, where no market value is available for an Underlying, the Calculation Agent may determine its value to be zero notwithstanding the fact that there may be no Market Disruption Event and/or no Potential Adjustment Events and/or no De-listing which apply.
- (b) *Interest Rates.* Investments in the Certificates may involve interest rate risk with respect to the currency of denomination of the Underlying and/or the Certificates. A variety of factors influence interest rates such as macro economic, governmental, speculative and market sentiment factors. Such fluctuations may have an impact on the value of the Certificates at any time prior to valuation of the Underlying relating to the Certificates.

- (c) *Volatility.* The term “volatility” refers to the actual and anticipated frequency and magnitude of changes of the market price with respect to an Underlying. Volatility is affected by a number of factors such as macro economic factors, speculative trading and supply and demand in the options, futures and other derivatives markets. Volatility of an Underlying will move up and down over time (sometimes more sharply than others) and different Underlyings will most likely have separate volatilities at any particular time.
- (d) *Exchange Rates.* Even where payments in respect of the Certificates are not expressly linked to a rate or rates of exchange between currencies, the value of the Certificates could, in certain circumstances, be affected by such factors as fluctuations in the rates of exchange between any currency in which any payment in respect of the Certificates is to be made and any currency in which the Underlying is traded, appreciation or depreciation of any such currencies and any existing or future or governmental or other restrictions on the exchangeability of such currencies. There can be no assurance that rates of exchange between any relevant currencies which are current rates at the date of issue of any Certificates will be representative of the relevant rates of exchange used in computing the value of the relevant Certificates at any time thereafter.
- (e) *Disruption.* If so indicated in the Conditions, the Calculation Agent may determine that a Market Disruption Event, Potential Adjustment Event and/or De-listing has occurred or exists at a relevant time. Any such determination may affect the value of the Certificates and/or may delay settlement in respect of the Certificates.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Certificates.
- (f) *Creditworthiness.* Any person who purchases the Certificates is relying upon the creditworthiness of the Issuer and has no recourse, in that respect, against any other person. The Certificates constitute general, unsecured, contractual obligations of the Issuer and of no other person. The Certificates rank pari passu among themselves.

There may not be a secondary market in the Certificates

Potential investors should be willing to hold the Certificates through their life. The nature and extent of any secondary market in the Certificates cannot be predicted. As a consequence any person intending to hold the Certificates should consider liquidity in the Certificates as a risk. If the Certificates are listed or quoted on an exchange or quotation system this does not imply greater or lesser liquidity than if equivalent Certificates were not so listed or quoted. However, if Certificates are not listed or quoted there may be a lack of transparency with regard to pricing information. The Issuer may provide quotations or prices for the Certificates which may be suspended by the Issuer at any time, subject to all applicable rules and regulations. Liquidity may also be affected by legal restrictions on offers for sale in certain jurisdictions. The Issuer may affect the liquidity of the Certificates by purchasing and holding the Certificates for its own account during trading in the secondary market. Any such Certificates may be resold at any time into the market.

The Issuer may, in its sole and absolute discretion, decide to offer a secondary market in the Certificates. In the event that the Issuer elects to offer such secondary market, the Issuer shall be entitled to impose such conditions as it, in its sole and absolute discretion, shall deem fit, including but not limited to:

- (a) providing a large bid/offer spread determined by the Issuer in its sole and absolute discretion by reference to the Issuer’s own appreciation of the risks involved in providing such secondary market;
- (b) normal market conditions prevailing at such date; and
- (c) limiting the number of Certificates in respect of which it is prepared to offer such secondary market.

Certificateholders should note that the imposition of any of the above conditions may severely limit the availability of any such secondary market and may result in Certificateholders receiving significantly less than they otherwise would have received if the Certificates were redeemed at maturity.

As part of its issuing, market-making and/or trading arrangements, the Issuer may issue more Certificates than those which are to be subscribed or purchased by third party investors. The Issuer (or any of its affiliates) may hold such Certificates for the purpose of meeting any investor interest in the future. Prospective investors in the Certificates should therefore not regard the issue size of any Series as indicative of the depth or liquidity of the market for such Series, or of the demand for such Series.

In the event that such a secondary market does not develop, it is unlikely that an investor in the Certificates will be able to sell his Certificates or at prices that will provide him with a yield comparable to similar investments that have a developed secondary market.

Over-Issuance

As part of its issuing, market-making and/or trading arrangements, the Issuer may issue more Certificates than those which are to be subscribed or purchased by third party investors. The Issuer (or any of its affiliates) may hold such Certificates for the purpose of meeting any investor interest in the future. Prospective investors in the Certificates should therefore not regard the issue size of any series as indicative of the depth or liquidity of the market for such Series, or of the demand for such series.

Purchasing the Certificates as a hedge may not be effective

Any person intending to use the Certificates as a hedge instrument should recognise the correlation risk. The value of the Certificates may not exactly correlate with the value of the index, share, currency, commodity, fund, government bond, index futures contract or other asset or basis of reference. As such the Certificates may not be a perfect hedge to an Underlying or portfolio of which the Underlying forms a part. In addition, it may not be possible to liquidate the Certificates at a level which directly reflects the price of the Underlying or portfolio of which the Underlying forms a part.

Actions taken by the Issuer may affect the value of the Certificates

The Issuer and/or any of its affiliates may carry out activities that minimise its and/or their risks related to the Certificates, including effecting transactions for their own account or for the account of their customers and hold long or short positions in the Underlying whether for risk reduction purposes or otherwise. In addition, in connection with the offering of any Certificates, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Underlying. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Underlying which may affect the market price, liquidity or value of the Underlying and/or the Certificates and which could be deemed to be adverse to the interests of the Certificateholders. The Issuer and/or its affiliates are likely to modify their hedging positions throughout the life of the Certificates whether by effecting transactions in the Underlying or in derivatives linked to the Underlying. Further, it is possible that the advisory services which the Issuer and/or its affiliates provide in the ordinary course of its/their business could lead to an adverse impact on the value of the Underlying.

The Issuer may also make adjustments to the Conditions if it determines that an event has occurred which, whilst not a Hedging Disruption or other disruption event is likely to have a material adverse effect on the Issuer's Hedging Arrangement. Any such determination may affect the value of the Certificates and/or may delay settlement in respect of the Certificates.

Disruption of the Issuers Hedging Arrangement may affect the value of the Certificates

The Issuer may enter into a hedging transaction in the relevant jurisdiction of the Underlying in order to offer exposure to the Underlying. Foreign exchange control restrictions, including restrictions which prevent the conversion of the Underlying Currency (as defined in the Product Conditions) into the Settlement Currency (as defined in the Product Conditions) and the transfer of the Settlement Currency to accounts outside the jurisdiction of the Underlying could result in a delay in the determination of the Final Reference Price and the Settlement Date, which delay could be lengthy.

In certain circumstances, including but not limited to, the insolvency of the hedging counterparty or the unenforceability of the associated hedging transaction, an investor may lose some or all of its investment as specified in Product Condition 2(a) below.

Certificateholders have no ownership interest in the Underlying

The Certificates convey no interest in the Underlying. The Issuer may choose not to hold the Underlying or any derivatives contracts linked to the Underlying. There is no restriction through the issue of the Certificates on the ability of the Issuer and/or its affiliates to sell, pledge or otherwise convey all right, title and interest in any Underlying or any derivatives contracts linked to the Underlying.

Actions taken by the Calculation Agent may affect the Underlying

The Calculation Agent is the agent of the Issuer and not the agent of the Certificateholders or any of them. The Issuer may itself act as the Calculation Agent. The Calculation Agent will make such adjustments as it considers appropriate as a consequence of certain corporate actions affecting the Underlying. In making these adjustments the Calculation Agent is entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion. The Calculation Agent is not required to make adjustments with respect to each and every corporate action.

Information and past performance

The Issuer may have acquired, or during the term of Certificates may acquire, non-public information with respect to securities (or their issuers) or other assets or indices underlying Certificates which will not be provided to holders of such Certificates. The Issuer makes no representation or warranty about, and gives no guarantee of, the performance of securities or other assets or indices underlying Certificates. Past performance of such securities or other assets or indices cannot be considered to be a guarantee of, or guide to, future performance.

There may be limitations on a Certificateholder's right to exercise the Certificates

- (a) *Limited Certificates.* If a Final Valuation Date is indicated in the relevant Final Terms, the Certificates will not be open ended and Certificateholders will not have a right of exercise. Certificates specifying a Final Valuation Date will have a fixed maturity and will only exercise automatically following such Final Valuation Date;
- (b) *Maximum Exercise Amount.* If so indicated in the Conditions, the Issuer will have the option to limit the number of Certificates exercisable on any date (other than the final exercise date) to the maximum number so specified and, in conjunction with such limitation, to limit the number of Certificates exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of Certificates being exercised on any date (other than the final exercise date) exceeds such maximum number and the Issuer has elected to limit the number of Certificates exercisable on such date, a holder of Certificates may not be able to exercise on such date all the Certificates that it desires to exercise. In any such case, the number of Certificates to be exercised on such date will be reduced until the total number of Certificates exercised on such date no longer exceeds such maximum (unless the Issuer otherwise elects), such Certificates being selected as

specified in the Conditions. Certificates tendered for exercise but not exercised on such date will be automatically exercised on the next date on which Certificates may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Certificates.

- (c) *Minimum Exercise Amount.* If so indicated in the Conditions, a Certificateholder may have to tender a specified minimum number of the Certificates at any one time in order to exercise the Certificates. Thus Certificateholders with fewer than the specified minimum number of such Certificates will either have to sell their Certificates or purchase additional Certificates, incurring transaction costs in each case, in order to realise a return on their investment, and may incur the risk that the trading price of the Certificates at that time is different from the applicable Cash Settlement Amount (as defined in the Product Conditions) of such Certificates.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Certificates.

There may be delays in effecting settlement

If the Certificates are subject to provisions relating to exercise, then upon their exercise, there will be a time lag between the time a holder of the Certificates gives instructions to exercise and the time the applicable Cash Settlement Amount relating to such exercise is determined. The applicable Cash Settlement Amount could decrease or increase from what it would have been but for such delay.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Certificates.

If the Certificates are subject to provisions concerning delivery of a Notice, Certificates may only be exercised by the delivery of a duly completed notice in the form set out in the Certificate Agreement to Euroclear Netherlands with a copy to the Principal Certificate Agent in accordance with the provisions set out in General Certificate Condition 3 and General Certificate Condition 4. If such notice is determined to be incomplete or not in proper form, or is not copied to the Principal Certificate Agent immediately after being delivered or sent to Euroclear Netherlands as provided in General Certificate Condition 4(A) and 4(C), such notice shall be null and void. Any Certificate with respect to which the Notice has not been duly completed and delivered by the cut-off time specified in General Certificate Condition 3(A) shall become void.

The failure to deliver any certifications required by the Conditions could result in the loss or inability to receive amounts or deliveries otherwise due under the Certificates.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Certificates.

Certificates not exercised in accordance with the Conditions will (where exercise is required) expire worthless.

Expenses are payable by investors

Certificateholders are subject to the provisions of General Certificate Condition 9 and payment and/or delivery of any amount due in respect of the Certificates will be conditional upon the payment of any Expenses as provided in the Product Conditions.

Taxes may be payable by investors

This Base Prospectus includes general summaries of certain Dutch, Belgian and French tax considerations relating to an investment in the Certificates issued by the Issuer (see the section entitled “Taxation”). Such summaries may not apply to a particular holder of Certificates or to a particular issue and do not cover all possible tax considerations. In addition, the tax treatment may change before the maturity, exercise or termination date of Certificates.

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Certificates in its particular circumstances.

No tax gross-up

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Certificate and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted. Please refer to section “General Certificate Condition 9(B) - Taxation”.

Risk factor relating to FATCA

In certain circumstances the Issuer and certain other entities through which payments on the Certificates are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, (A) payments made after 31 December 2016 in respect of the Certificates, pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code and the regulations and other guidance promulgated thereunder (“FATCA”).

Under FATCA, non-U.S. financial institutions generally will be required to enter into agreements with the U.S. Internal Revenue Service (the “IRS”) to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. For these purposes, the term financial institution includes, among others, banks, insurance companies and funds that are engaged primarily in the business of investing, reinvesting or trading in securities, commodities or partnership interests. If a participating financial institution makes a relevant payment to an accountholder that has not provided information requested to establish the accountholder is exempt from reporting under the rules, or if the recipient of the payment is a non-participating financial institution (that is not otherwise exempt), the payor may be required to withhold 30% on a portion of the payment. The IRS has indicated an intention to treat, for example, interest and principal paid by a participating financial institution as being subject to this 30% withholding, but only in proportion to the value of the financial institution’s direct and indirect U.S. assets as compared to its total assets. However, the IRS is further considering the treatment of these so-called “passthru payments” and it is not clear how this rule will ultimately apply to the Issuers and the Certificates issued by it.

The withholding obligation in respect of a non-participating financial institution may apply whether the financial institution is receiving payments for its own account or on behalf of another person. If the Issuer or one of its respective agents were required to withhold any amount from any payment on the Certificates in respect of FATCA, there will be no “gross up” (or any other additional amount) payable by way of compensation to the investor for the withheld amount. An investor that is able to claim the benefits of an income tax treaty between its own jurisdiction and the United States may be entitled to a refund of amounts withheld pursuant to the FATCA rules, though the investor would have to file a U.S. tax return to claim this refund and would not be entitled to interest from the IRS for the period prior to the refund.

FATCA is particularly complex and its application to the Issuer or the Certificates issued by it is uncertain at this time. Each holder of Certificates should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such holder in its specific circumstance, in particular if it may be, or hold its interest through an entity that is, classified as a financial institution under FATCA.

Risk factor relating Dividend Equivalent Payments

Due to U.S. legislation enacted in 2010, payments on any Certificates that are, in whole or in part, directly or indirectly contingent upon, or determined by reference to, the payment of a dividend from a U.S. entity (a “**Dividend Equivalent Payment**”) may become subject to a 30% U.S. withholding tax when made to a beneficial owner that is not a: (i) a citizen or individual resident of the United States, as defined in Section 7701(b) of the U.S. Internal Revenue Code, (ii) a corporation, including any entity treated as a corporation for U.S. federal income tax purposes, created or organised in or under the laws of the United States, any State thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source; or (iv) a trust if (x) a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust, or (y) such trust has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a United States person, (a “**Non-U.S. holder**”). The imposition of this U.S. withholding tax will reduce the amounts received by Non-U.S. Holders. The Issuer, nor any other person shall pay any additional amounts to the Non-U.S. Holders in respect of such U.S. withholding. If a Non-U.S. Holder becomes subject to this withholding tax, it is unclear whether the Non-U.S. Holder will be able to claim any exemptions under its applicable double tax treaty. The application and interpretation of the rules governing U.S. withholding tax on Dividend Equivalent Payments is subject to change.

The Certificates may be cancelled to their stated date

If the Issuer determines that the performance of its obligations under the Certificates has become illegal or otherwise prohibited in whole or in part for any reason or the Issuer determines that it is no longer legal or practical for it to maintain its hedging arrangement with respect to the Certificates for any reason, the Issuer may at its discretion and without obligation cancel the Certificates. If the Issuer cancels the Certificates, the Issuer will, if and to the extent permitted by applicable law, pay the holder of each such Certificate an amount determined by the Calculation Agent to be its fair market value less the cost to the Issuer of unwinding any underlying related hedging arrangements notwithstanding the illegality or prohibition.

The return on an investment in Certificates will be affected by charges incurred by investors

The return on an investment in Certificates will be affected by charges incurred by investors. An investor’s total return on an investment in Certificates will be affected by the level of fees charged to the investor, including fees charged to the investor as a result of the Certificates being held in a clearing system. Such fees may include charges for opening accounts, transfers of securities, custody services and fees for payment of principal, interest or other sums due under the terms of the Certificates. Investors should carefully investigate these fees before making their investment decision. Change of law and jurisdiction

The Conditions are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to English law or administrative practice after the date of this Base Prospectus. Prospective investors in the Certificates should note that the courts of England shall have jurisdiction in respect of any disputes involving the Certificates. Certificateholders may, however, take any suit, action or proceedings arising out of or in connection with the Certificates against the Issuer in any court of competent jurisdiction. English law may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Certificates.

There may be changes to laws, or their interpretation, in other countries which affect the Certificates. Changes in taxation, corporate, regulatory and money laundering laws in any relevant jurisdiction could have a negative impact on the value of the Certificates.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Certificates. 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 Certificates. Where a Series of Certificates is to be rated, such rating will not necessarily be the same as any rating assigned to any Certificates already issued. Whether or not a rating in relation to any Series of Certificates will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A credit rating is not a recommendation to buy, sell or hold Certificates and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Legal investment considerations may restrict certain investments

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

Modification, waivers and substitution

The Issuer may decide to make modifications to the Certificates without the consent of the Certificateholders which may affect the Certificateholders' interest in any manner which the Issuer may deem necessary or desirable, provided that either:

- (a) such modification is not materially prejudicial to the interests of the Certificateholders;
- (b) such modification is of a formal, minor or technical nature or to correct a manifest error or to cure, correct or supplement any defective provision; or
- (c) for the purpose of the substitution of another company as principal debtor under any Certificates in place of the Issuer, in the circumstances described in General Certificate Condition 11.

OVERVIEW

PART 1: INTRODUCTION – IMPORTANT INFORMATION

This Base Prospectus replaces and supersedes all previous prospectuses (including any supplements thereto) or offering circulars (to the extent they relate to Certificates) in connection with the Programme. Any Certificates issued under the Programme are issued subject to the provisions set out herein. This does not affect any Certificates issued prior to the date hereof.

This Base Prospectus, when read together with the Registration Document, constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive (as implemented in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and implementing regulations) for the purpose of giving information with regard to the Issuer and the Certificates which, according to the particular nature of the Issuer and the Certificates, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and of the rights attached to the Certificates.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

In relation to each separate issue of Certificates, the issue price and the amount of such Certificates will be determined before filing of the relevant Final Terms (as defined below) of each issue, based on then prevailing market conditions at the time of the issue of the Certificates, and will be set out in the relevant Final Terms. The Final Terms will be provided to investors and filed with the relevant competent authority for the purposes of the Prospectus Directive when any public offer of Certificates is made in the EEA as soon as practicable and if possible in advance of the beginning of the offer.

Final Terms will (if applicable) specify the nature of the responsibility taken by the Issuer for any information relating to an underlying index, share, currency, fund, commodity, government bond or index futures contracts or other item(s) to which the Certificates may relate which is contained in such Final Terms. Notice of the number of Certificates, the issue price of Certificates and any other terms and conditions not contained herein which are applicable to each issue of Certificates will be set forth in the final terms (the “**Final Terms**”) for the particular issue.

Certificates will be issued in uncertificated and dematerialised book-entry form in accordance with the Dutch Securities Giro Act (*Wet giraal effectenverkeer*) and the rules, regulations and operating procedures applicable to and/or issued by Euroclear Netherlands from time to time. No physical global certificate or definitive certificates will be issued in respect of Certificates. The Certificates create options exercisable by the relevant holder and are either (i) Open Ended Certificates without a fixed maturity or expiration date, which include Best Certificates, which can be exercised by the Certificateholder, or (ii) Limited Certificates with a fixed maturity or expiration date, which will be exercised automatically following a Final Valuation Date Unless otherwise provided for in the Final Terms, there is no obligation upon any holder of Open Ended Certificates and Best Certificates to exercise his Certificate nor, in the absence of such exercise, any obligation on the Issuer to pay any amount or deliver any asset to any holder of a Certificate. Upon exercise, the holder of a Certificate will be required to certify (in accordance with the provisions outlined in the section entitled “Subscription and Sale”) that it is not a U.S. person and that it is not exercising such Certificates on behalf of a U.S. person.

All Certificates will be distributed by the Issuer on a non-syndicated basis.

This Base Prospectus is to be read in conjunction with any supplement and any Final Terms hereto and with all documents which are deemed to be incorporated in it by reference (see the section entitled “Documents Incorporated by Reference”). This Base Prospectus shall be read and construed on the basis that such documents are incorporated into, and form part of, this Base Prospectus.

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

Neither this Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Certificates. Each investor contemplating purchasing any Certificates should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Certificates constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Certificates.

Certificates are sophisticated instruments, can involve a high degree of risk and are intended for sale only to those investors capable of understanding the risk entailed in such instruments. Prospective purchasers of the Certificates should ensure that they understand the nature of the Certificates and the extent of their exposure to risk and that they understand the nature of the Certificates as an investment in the light of their own circumstances and financial condition. Prospective purchasers of the Certificates should conduct their own investigations and, in deciding whether or not to purchase Certificates, should form their own views of the merits of an investment related to the Certificates based upon such investigations and not in reliance upon any information given in this Base Prospectus and the applicable Final Terms. In particular, each investor contemplating purchasing any Certificates should make its own appraisal of any share or index, fund, government bond, currency, commodity or index futures contract or other asset or basis of reference to which such Certificates may be linked (including the creditworthiness of the issuer of any share or debt or other security to which such Certificates may be linked). If in doubt potential investors are strongly recommended to consult with their independent financial advisers before making any investment decision.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Certificates shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. Investors should carefully review and evaluate, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any Certificates.

Other than in Belgium, France and The Netherlands, the Issuer does not represent that this Base Prospectus may be lawfully distributed, or that Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of the Certificates or distribution of this document in any jurisdiction where action for that purpose is required, other than (if so indicated in the relevant Final Terms) in certain Member States of the EEA. Accordingly, the Certificates may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering

material may be distributed or published in any jurisdiction where such offer, sale, distribution and/or publication would be prohibited.

The distribution of this Base Prospectus and the offer or sale of Certificates may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Certificates come must inform themselves about, and observe, any such restrictions. See the section entitled “Subscription and Sale”.

The Certificates have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States. Accordingly, the Certificates may not be offered, sold, pledged or otherwise transferred within the United States or to or for the account or benefit of U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws. For a description of certain further restrictions on offers and sales of the Certificates and on the distribution of this Base Prospectus, see the section entitled “Subscription and Sale”.

The Certificates have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Certificates or the accuracy or the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Base Prospectus includes general summaries of the Dutch, Belgian and French tax considerations relating to an investment in the Certificates. Such summaries may not apply to a particular holder of Certificates. Any potential investor should consult its own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Certificates in its particular circumstances.

All references in this document to “U.S. dollars”, “dollar”, “U.S.\$”, “\$”, “USD” and “U.S. cent.” refer to the lawful currency of the United States of America, those to “Japanese Yen”, “Yen”, “JPY” and “¥” refer to the lawful currency of Japan, those to “euro”, “EUR” and “€” refer to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on European Union, those to “Australian Dollar”, “AUD”, “AU\$” and “A\$” refer to the lawful currency of Australia, those to “Brazilian Real”, “Brazilian Reais” and “BRL” refer to the lawful currency of the Federative Republic of Brazil, those to “Canadian Dollar”, “CAD” and “C\$” refer to the lawful currency of Canada, those to “Czech Koruna” and “CZK” refer to the lawful currency of the Czech Republic, those to “Danish Krone”, “DKr” and “DKK” refer to the lawful currency of the Kingdom of Denmark, those to “Hong Kong Dollar”, “HK\$” and “HKD” refer to the lawful currency of Hong Kong, those to “Mexican Peso”, “MXN” and “MXP” refer to the lawful currency of the United Mexican States, those to “New Zealand Dollar”, “NZ\$” and “NZD” refer to the lawful currency of New Zealand, those to “Norwegian Krone”, “NKr” and “NOK” refer to the lawful currency of the Kingdom of Norway, those to “Philippine Peso” and “PHP” refer to the lawful currency of the Republic of the Philippines, those to “Russian Ruble”, “Russian Rouble”, “RUR” and “RUB” refer to the lawful currency of the Russian Federation, those to “Singapore Dollar”, “S\$” and “SGD” refer to the lawful currency of the Republic of Singapore, those to “Sterling”, “£”, “GBP” and “STG” refer to the lawful currency of the United Kingdom, those to “Swedish Krona”, “SKr” and “SEK” refer to the lawful currency of the Kingdom of Sweden, those to “Swiss Franc”, “Sfr”, “CHF” and “SWF” refer to the lawful currency of Switzerland and those to “Taiwanese Dollar”, “New Taiwanese Dollar” and “TWD” refer to the lawful currency of the Republic of China.

This Base Prospectus includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act 1934. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the Issuer’s financial position, business strategy, plans and objectives of management for future

operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as of the date of this Base Prospectus or as of such earlier date at which such statements are expressed to be given. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

PART 2: DESCRIPTION OF CERTIFICATES

The following section is qualified in its entirety by the remainder of this Base Prospectus.

Introduction

Under the terms of the Programme, the Issuer may from time to time issue Certificates of any kind including, but not limited to, Certificates relating to a specified index or a range of indices ("**Index Certificates**"), a specified share or a range of shares ("**Share Certificates**"), a specified government bond or a range of government bonds ("**Government Bond Certificates**"), a specified currency or a range of currencies ("**Currency Certificates**"), a specified commodity or a range of commodities ("**Commodity Certificates**"), a specified fund or a range of funds ("**Fund Certificates**") or a specified index futures contract or a range of index futures contracts ("**Index Futures Certificates**").

Terms and Conditions and Final Terms

The terms and conditions (the "**Conditions**") applicable to particular Certificates are contained in the General Certificate Conditions which are applicable to all Certificates, the Product Conditions applicable to the particular type of Certificate being issued and the Final Terms applicable to the particular Series being issued.

A description of the relevant Final Terms is set out herein under the section entitled "Form of Final Terms" and each set of Final Terms will specify with respect to the issue of Certificates to which it relates, *inter alia*, the specific designation of the Certificates, the aggregate number and type of the Certificates, the date of issue of the Certificates, the issue price, the exercise price, the underlying asset, index or other item(s) to which the Certificates relate, the exercise period or date and certain other terms relating to the offering and sale of the Certificates. The Final Terms relating to an issue of Certificates will be registered with Euroclear Netherlands. The Final Terms supplement the Conditions of the Certificates and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, supplement, replace or modify the Conditions. Certificates, or interests therein, may not at any time be offered, sold, resold, traded or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person.

Each issue of Certificates will entitle the holder thereof (on due exercise and subject to certification as to non-U.S. beneficial ownership) to receive a cash amount (if any) calculated in accordance with the relevant terms, all as set forth herein and in the applicable Final Terms.

Risks

Prospective purchasers of Certificates should ensure that they understand the nature of the relevant Certificates and the extent of their exposure to risks and that they consider the suitability of the relevant

Certificates as an investment in the light of their own circumstances and financial condition. Certificates involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a total loss of the purchase price of their Certificates. See the section entitled “Risk Factors”.

Issuer:	ING Bank N.V.
Calculation Agent:	ING Bank N.V.
Principal Certificate Agent:	ING Bank N.V. or BNP Paribas Securities Services, as specified in the Final Terms
Certificate Agent:	ING Belgium SA/NV
Description of Certificates:	<p>Certificates are financial instruments which are either (i) Open Ended Certificates (which include Best Certificates) without a fixed maturity or expiration date, which can be exercised by the Certificateholder, or (ii) Limited Certificates with a fixed maturity or expiration date, which can be exercised automatically following a Final Valuation Date. Both Open Ended Certificates and Limited Certificates can be terminated by the Issuer, and may automatically terminate if the Underlying (as defined below) reaches a pre-determined level: the Stop Loss Event. Following any such Stop Loss Event, the Certificates pay an amount determined by reference to the value of the underlying index (including in the case of an index, the index and its constituent elements), share, currency, commodity, fund, government bond or index future (each an “Underlying”) on one or more specified days, subject to the certificate entitlement. The types of certificates that may be issued under this Base Prospectus are further described below.</p> <p>In case of Best Certificates and Limited Certificates, following such Stop Loss Event the Cash Settlement Amount to be received by a Certificateholder will always be zero.</p> <p>Certificates track the Underlying in a linear manner either on an open ended basis (in the case of Open Ended Certificates) or until the relevant Final Valuation Date (in the case of Limited Certificates). The amount needed to invest in a Certificate to give the same participation rate in the Underlying as a direct investment in the Underlying is considerably less. Therefore, the percentage gain if the Underlying rises (in the case of a Long</p>

Certificate) or falls (in the case of a Short Certificate) and the percentage loss if the Underlying falls or rises, respectively, is higher in Certificates than in a direct investment in the Underlying.

“Sprinter Certificates” or “ING Turbo Certificates”:

At the discretion of the Issuer and as specified in the applicable Final Terms, Certificates are offered and/or listed under the name “Sprinter Certificates” or “ING Turbo Certificates”.

Long and Short Certificates:

Long Certificates are designed to enable the investor to profit from rising markets. Long Certificates track the Underlying. If the value of the Underlying rises, the value of the Long Certificate is expected to rise by an equivalent amount, taking into account any applicable foreign exchange rate. The difference between a Long Certificate and an ordinary certificate is that in the case of a Long Certificate, the amount needed to invest to give the same participation rate in the Underlying is usually considerably less.

Short Certificates are designed to enable the investor to profit from declining markets. Short Certificates track the Underlying in an inverse manner. If the value of the Underlying drops, the value of the Short Certificate is expected to rise by an equivalent amount, taking into account any applicable foreign exchange rate. The difference between a Short Certificate and an ordinary certificate is that in the case of a Short Certificate, the amount needed to invest to give the same inverse participation rate in the Underlying is usually considerably less.

Nature of Certificates:

Prospective purchasers of Certificates should ensure that they understand the nature of the relevant Certificates and the extent of their exposure to risks and that they consider the suitability of the relevant Certificates as an investment in light of their own circumstances and financial condition. Certificates involve a high degree of risk, including the risk of the Certificates expiring worthless. Potential investors should be prepared to sustain a total loss of the purchase price of their Certificates. See the section entitled “Risk Factors”.

Stop Loss:	The maximum loss to an investor in Certificates is the initial amount invested. A feature of Certificates is the stop-loss which, if breached, will result in the early termination of the Certificates. In case of Best Certificates and Limited Certificates, following such Stop Loss Event the cash amount to be received by a Certificateholder will always be zero.
Index Certificates:	Index Certificates are certificates where the Underlying is an index. A range of indices may be used as the Underlying in relation to an Index Certificate.
Share Certificates:	Share Certificates are certificates where the Underlying is a share (including unit(s) in an exchange traded fund). A range of shares may be used as the Underlying in relation to a Share Certificate.
Currency Certificates:	Currency Certificates give the Certificateholder exposure to interest rate differences between two currencies. A range of currencies may be used as the Underlying in relation to a Currency Certificate.
Commodity Certificates:	Commodity Certificates are certificates where the Underlying is a commodity. A range of commodities may be used as the Underlying in relation to a Commodity Certificate.
Fund Certificates:	Fund Certificates are certificates where the Underlying is a fund. A range of funds may be used as the Underlying in relation to a Fund Certificate.
Government Bond Certificates:	Government Bond Certificates are certificates where the Underlying is a futures contract related to a government bond. A range of government bond futures contracts may be used as the Underlying in relation to a Government Bond Certificate.
Index Futures Certificates	Index Futures Certificates are certificates where the underlying is a futures contract related to an index. A range of index futures contracts may be used as the Underlying in relation to an Index Futures Certificate.
Indicative Issue Price:	The Certificates will be sold at a price determined by reference to the level of the Underlying adjusted for the relevant certificate entitlement and any applicable foreign exchange rate(s).

Maturity:	The Certificates are either (i) Open Ended Certificates (which include Best Certificates) and do not have any fixed maturity date, or (ii) Limited Certificates with a fixed maturity which will exercise automatically following the Final Valuation Date.
Interest:	The Certificates do not bear interest.
Settlement of Certificates:	Each issue of Certificates will entitle the holder thereof (on due exercise and subject to certification as to non-U.S. beneficial ownership) to receive a cash amount (if any) calculated in accordance with the relevant terms and conditions.
Form of Certificates:	The Certificates will be issued in uncertificated and dematerialised book-entry form in accordance with the Dutch Securities Giro Act (<i>Wet giraal effectenverkeer</i>) and the rules, regulations and operating procedures applicable to and/or issued by Euroclear Netherlands from time to time. No physical global certificate or definitive certificates will be issued in respect of Certificates.
Offer Process for Certificates:	The Final Terms relating to an issue of Certificates which will be offered to the public in The Netherlands, Belgium or France or for which the Issuer will seek their admission to trading on Euronext Amsterdam or Euronext Paris, in each case in circumstances which would require the approval of a prospectus under the Prospectus Directive, will generally be delivered to Euronext Amsterdam or Euronext Paris prior to the Trade Date specified in the applicable Final Terms. In such circumstances, on or about the Trade Date, the Issuer expects, pursuant to its agreement with Euronext Amsterdam and Euronext Paris, to offer to buy or sell those Certificates. Any trading in those Certificates will be on an “as-if-and-when-issued” basis until the Issue Date specified in the applicable Final Terms. The Issuer expects that each such issue of Certificates will be admitted to trading and listing on Euronext Amsterdam or Euronext Paris with effect from the Trade Date specified in the applicable Final Terms. Other than the issue price of the Certificates of the relevant series, each prospective investor shall not be required to pay expenses to the Issuer in order to subscribe for the relevant Certificates.

Conditions to which an Offer of Certificates is subject:

Any offer of Certificates is subject to the conditions as set out in this Base Prospectus and the relevant Final Terms.

Application and Payment Process for Subscribing for Certificates:

Applications to subscribe for Certificates may be made by a prospective investor through any broker, financial adviser, banker, financial intermediary or other agent acting in such a capacity (each a “**Selling Agent**”) which has a relationship with the Issuer governing the sale of Certificates.

Each prospective investor should ascertain from its chosen Selling Agent when that Selling Agent will require receipt of cleared funds in respect of applications to subscribe for Certificates and the manner in which payment should be made to the Selling Agent. Each Selling Agent may impose different arrangements relating to the purchase of Certificates and prospective investors should contact their Selling Agent directly for information concerning such arrangements. Applicants to subscribe for Certificates who arrange to purchase those Certificates through a Selling Agent should note that in doing so they are assuming the credit risk of the relevant Selling Agent and that such arrangements will be subject to the applicable conditions of the relevant Selling Agent.

Minimum and Maximum Application Amount in respect of Certificates:

Investors in Certificates are required to subscribe for a minimum of one such Certificate and thereafter in multiples of one such Certificate unless otherwise specified in the relevant Final Terms. There is no maximum subscription amount unless otherwise stated in the relevant Final Terms.

Reduced Subscriptions and Cancellations with respect to Certificates:

The Issuer reserves the right, prior to the Issue Date, in its absolute discretion to (i) decline in whole or in part an application to subscribe for Certificates such that a prospective investor in Certificates may, in certain circumstances, not be issued the number of (or any) Certificates for which it has applied to subscribe (a “**Reduced Subscription**”) or (ii) withdraw, cancel or modify an offer of the Certificates (a “**Cancelled Offer**”).

The Issuer may effect a Reduced Subscription or a Cancelled Offer without prior notice and will then only notify prospective investors of a Reduced Subscription or a Cancelled Offer after such Reduced Subscription or Cancelled Offer has

occurred. In the event that the Certificates are not issued, no subscription monies shall be payable by prospective investors to the Issuer (either directly or indirectly through a Selling Agent in respect of the relevant Certificates). Prospective investors should contact their Selling Agent for details of the arrangements for the return of application monies in such circumstances. The Issuer shall have no responsibility for, or liability arising out of, the relationship between prospective investors and their respective Selling Agents and clearing system operators, including, without limitation, in respect of arrangements concerning the return of monies by such persons to their clients.

Manner in which the Results of an Offer of Certificates are to be made Public:

A prospective investor submitting an application to subscribe for Certificates will be notified of the acceptance or otherwise of such application on or around the Issue Date.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been approved by the AFM or filed with it, shall be deemed to be incorporated in, and to form part of, this Base Prospectus; this Base Prospectus should be read and construed in conjunction with such documents:

(a) the registration document of the Issuer dated 11 May 2011 prepared in accordance with Article 5 of the Prospectus Directive and approved by the AFM (together with the supplements thereto dated 21 June 2011, 11 August 2011, 7 November 2011, 13 February 2012 and 6 March, 2012 respectively, the “**Registration Document**”), including, for the purpose of clarity, the following items incorporated by reference therein:

- (i) the Articles of Association (*statuten*) of the Issuer;
- (ii) the publicly available annual reports of the Issuer in respect of the years ended 31 December 2008, 2009 and 2010, including the audited financial statements and auditors’ reports in respect of such years;
- (iii) pages 13 to 28 (inclusive) of the unaudited ING Group 2011 quarterly report for the first quarter of 2011, as published by ING Group on 5 May 2011 (the “**ING Group Q1 Report**”). The ING Group Q1 Report contains, among other things, the consolidated unaudited interim results of ING Group as at, and for the three month period ended, 31 March 2011, as well as information about recent developments during this period in the banking business of ING Group, which is conducted substantially through the Issuer and its consolidated group;
- (iv) pages 11 to 26 (inclusive) of the unaudited ING Group 2011 quarterly report for the second quarter of 2011, as published by ING Group on 4 August 2011 (the “**ING Group Q2 Report**”). The ING Group Q2 Report contains, among other things, the consolidated unaudited interim results of ING Group as at, and for the three and six month period ended, 30 June 2011, as well as information about recent developments during these periods in the banking business of ING Group, which is conducted substantially through the Issuer and its consolidated group;
- (v) the Interim Financial Report containing the Issuer’s consolidated unaudited results as at, and for the six month period ended, 30 June 2011, as published by the Issuer on 4 August 2011 (the “**ING Bank Interim Financial Report**”);
- (vi) pages 13 to 28 (inclusive) of the unaudited ING Group 2011 quarterly report for the third quarter of 2011, as published by ING Group on 3 November 2011 (the “**ING Group Q3 Report**”). The ING Group Q3 Report contains, among other things, the consolidated unaudited interim results of ING Group as at, and for the three month period and the nine month period ended, 30 September 2011, as well as information about recent developments during these periods in the banking business of ING Group, which is conducted substantially through the Issuer and its consolidated group;
- (vii) pages 13 to 28 (inclusive) of the unaudited ING Group 2011 quarterly report for the fourth quarter of 2011, as published by ING Group on 9 February 2012 (the “**ING Group Q4 Report**”). The ING Group Q4 Report contains, among other things, the consolidated unaudited interim results of ING Group as at, and for the three month period and the twelve month period ended, 31 December 2011, as well as information about recent developments

during these periods in the banking business of ING Group, which is conducted substantially through the Issuer and its consolidated group;

- (viii) the press release (the “**Early Repurchase Press Release**”) published by ING Group on 7 March 2011 entitled “ING to repurchase EUR 2 bn Core Tier 1 Securities from Dutch State on 13 May”;
- (ix) the press release (the “**Completed Repurchase Press Release**”) published by ING Group on 13 May 2011 entitled “ING pays EUR 3 billion to Dutch State for second tranche of core Tier 1 securities, including a 50% premium”;
- (x) the press release (the “**ING Direct USA Sale Press Release**”) published by ING Group on 16 June 2011 entitled “ING to sell ING Direct USA to Capital One”;
- (xi) the press release (the “**EBA Capital Target Press Release**”) published by ING Bank N.V. on 27 October 2011 entitled “ING Bank meets new EBA capital target”;
- (xii) the press release published by ING on 17 February 2012 entitled “ING completes sale of ING Direct USA”; and
- (xiii) the press release published by ING on 2 March 2012 entitled “ING welcomes judgment of EC General Court”,

(b) the Terms and Conditions of the Certificates set out in the following Base Prospectuses in relation to the Issuer’s Global Issuance Programme: the Base Prospectus dated 31 March 2011 (Chapter 15), the Base Prospectus dated 19 January 2011 (Chapter 21); the Base Prospectus dated 23 February 2010 (Chapter 22); the Base Prospectus dated 19 August 2009 (Chapter 22); the Base Prospectus dated 15 May 2009 (Chapter 22); the Base Prospectus dated 15 September 2008 (Chapter 23),

save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

With respect to the ING Group Q1 Report, the ING Group Q2 Report, the ING Group Q3 Report and the ING Group Q4 Report (together, the “**ING Group Quarterly Reports**”) prospective investors should note that the Issuer’s consolidated operations, while materially the same, are not identical with the reported financial and statistical information on a segment basis for the banking business of ING Group as described in the ING Group Quarterly Reports. ING Group is not responsible for the preparation of this Base Prospectus.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered in accordance with applicable law, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands. In addition, this Base Prospectus and all of the documents which are incorporated herein by reference will be made available on the following website: for Sprinter Certificates, www.ingsprinters.nl and, for ING Turbos Certificates, www.ingturbos.fr. The Issuer will, in the event of a significant new factor, material mistake or inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of any Certificates, prepare a supplement to this Base Prospectus or publish a new Prospectus for use in connection with any subsequent issue by the Issuer of Certificates to be admitted to trading on an EU regulated market.

GENERAL CERTIFICATE CONDITIONS

The following are the general terms and conditions of the Certificates issued by the Issuer (the “General Certificate Conditions”) which are applicable to all Certificates. Particular Certificates will be further subject to the Product Conditions applicable to the particular type of Certificate being issued and the Final Terms applicable to the particular Series being issued. In the event of any inconsistency between the General Certificate Conditions and the Final Terms, the Final Terms shall prevail.

ING Bank N.V. (the “**Issuer**”) may from time to time issue exercisable certificates (such exercisable certificates being hereinafter referred to as the “**Certificates**”) either pursuant to a Certificate Agreement dated as of 28 March 2012 (as modified, supplemented and/or restated as at the issue date of the Certificates, the “**ING Certificate Agreement**”) between ING Bank N.V. as issuer, ING Bank N.V. as principal certificate agent (the “**ING Principal Certificate Agent**”, which expression shall include any additional or successor principal certificate agent) and the other certificate agents named therein (together with the ING Principal Certificate Agent, the “**ING Certificate Agents**”, which expression shall include any additional or successor certificate agents) or pursuant to a Certificate Agreement dated as of 28 March 2012 (as modified, supplemented and/or restated as at the issue date of the Certificates, the “**BNP Certificate Agreement**”, and, together with the ING Certificate Agreement, the “**Certificate Agreements**”) between ING Bank N.V. as issuer, BNP Paribas Securities Services as principal certificate agent (the “**BNP Principal Certificate Agent**”, which expression shall include any additional or successor principal certificate agent) and the other certificate agents named therein (together with the BNP Principal Certificate Agent, the “**BNP Certificate Agents**”, which expression shall include any additional or successor certificate agents, as specified in the applicable Final Terms). The ING Principal Certificate Agent and the BNP Principal Certificate Agent shall hereinafter be referred to as the “**Principal Certificate Agent**” and the ING Certificate Agents and the BNP Certificate Agents shall hereinafter be referred to as the “**Certificate Agents**”.

If ING Bank N.V. is specified in the applicable Final Terms as Principal Certificate Agent, the Certificates will be issued pursuant to the ING Certificate Agreement. If BNP Paribas Securities Services is specified in the applicable Final Terms as Principal Certificate Agent, the Certificates will be issued pursuant to the BNP Certificate Agreement. References made herein to the Principal Certificate Agent and Certificate Agents shall be construed accordingly. The Issuer shall undertake the duties of calculation agent (the “**Calculation Agent**”) in respect of the Certificates as set out below and in the applicable Final Terms.

No Certificates in definitive form will be issued. The Certificates will be registered in uncertificated book entry form with the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (“**Euroclear Netherlands**”). No physical global certificates or certificates will be issued in respect of Certificates. The Certificates are issued subject to and in accordance with the Terms and Conditions herein, and are further subject to the Dutch Securities Giro Act (*Wet giraal effectenverkeer*) and the Rules for Book-Entry Deposits (*Reglement Girodepots*) and the Guidelines Euroclear Nederland (*Richtlijnen Euroclear Nederland*) issued by Euroclear Netherlands and from time to time amended (together the “**Regulations**”). Delivery (*uitlevering*) of Certificates will only be possible in the limited circumstances prescribed by the Securities Giro Act.

All Certificates will be distributed by the Issuer on a non-syndicated basis.

At the discretion of the Issuer and as specified in the applicable Final Terms, Certificates are offered and/or listed under the name “Sprinter Certificates” or “ING Turbo Certificates”.

The applicable Final Terms for the Certificates supplement these General Certificate Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these General Certificate Conditions, supplement, replace or modify these General Certificate Conditions for the purposes of the Certificates.

References herein to the “**applicable Final Terms**” are to the Final Terms registered with Euroclear Netherlands.

Copies of the Certificate Agreements and the applicable Final Terms may be obtained during normal office hours from the specified office of the Issuer.

Words and expressions defined in the Certificate Agreements or used in the applicable Final Terms shall have the same meanings where used in these General Certificate Conditions unless the context otherwise requires or unless otherwise stated.

The Certificateholders (as defined in General Certificate Condition 1(C)) are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the applicable Certificate Agreement (insofar as they relate to the Certificates) and the applicable Final Terms, which are binding on them.

1 Type, Title and Transfer

(A) *Type*

The Certificates are Index Certificates, Share Certificates, Currency Certificates, Commodity Certificates, Fund Certificates, Government Bond Certificates or Index Futures Certificates. Certain additional terms will, unless otherwise varied in the applicable Final Terms, apply to Index Certificates, Share Certificates, Currency Certificates, Commodity Certificates, Fund Certificates, Government Bond Certificates and Index Futures Certificates as set out in the additional conditions for the relevant products (collectively, the “**Product Conditions**”).

(B) *Title to Certificates*

Title to the Certificates shall pass by book-entry in accordance with the Securities Giro Act and the Regulations. Rights in respect of the Certificates shall belong to a community to be subdivided into as many equal denominations (in the Regulations referred to as *coupures*) as there are Certificates in the relevant series.

(C) *Transfers of Certificates*

Transfer and delivery of denominations shall take place solely between or through the intermediary of admitted institutions (“**Admitted Institutions**”, as defined in the Regulations as *aangesloten instellingen*) of Euroclear Netherlands. A holder of a co-ownership right in respect of the community of denominations is referred to as a “**Certificateholder**” or “**holder of Certificates**”.

(D) *Payments in respect of Certificates*

All payments in respect of the Certificates shall be made in accordance with the Regulations. In particular, payment of principal or any other payments on or in respect of the Certificates to the Certificateholders will be effected through Admitted Institutions of Euroclear Netherlands. The Issuer shall deposit or cause to be deposited the funds intended for payment on the Certificates to an account of Euroclear Netherlands. The Issuer will by such deposit be discharged of its obligations towards the Certificateholders. Euroclear Netherlands will be discharged of its obligation to pay by paying the relevant funds to the Admitted Institutions which according to Euroclear Netherlands’ record hold a share in the *girodepot* (as referred to in the Securities Giro Act) with respect to such Certificates. The relevant payment is to be made in proportion to the share in such *girodepot* held by each of such Admitted Institutions in accordance with the relevant provisions of the Rules for Book-Entry Deposits. Euroclear Netherlands shall not be obliged to make any payment in excess of funds it actually received as funds free of charges of any kind whatsoever.

Transfers of Certificates may not be effected after (i) the exercise of such Certificates pursuant to General Certificate Condition 4; (ii) the date upon which the Issuer gives notice to the Certificateholders of the occurrence of a Stop Loss Event; or (iii) the date upon which the Issuer gives notice to the Certificateholders of its intention to terminate the Certificates as a result of an Issuer Call.

Any reference herein to Euroclear Netherlands shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Certificate Agent from time to time and notified to the Certificateholders in accordance with General Certificate Condition 8.

(E) Delivery of Certificates

Delivery of any Certificates shall be effected against payment.

2 Status of the Certificates

The Certificates constitute direct, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

3 Exercise and Termination; Cash Settlement

(A) Exercise

Provided no Stop Loss Event has occurred, and notwithstanding notice of an Issuer Call, the Certificates (i) are exercisable on any Exercise Date by delivery of a Notice prior to the Exercise Time on an Exercise Date (in the case of Best Certificates and Open Ended Certificates) or (ii) will be exercised automatically following the Final Valuation Date (in the case of Limited Certificates).

(B) Stop Loss Event

Following a Stop Loss Event, the Certificates will terminate automatically. A Stop Loss Event will override an Issuer Call and/or due Exercise if the Stop Loss Event occurs prior to or on an Issuer Call Date or Valuation Date as the case may be.

(C) Issuer Call

The Issuer may terminate, subject to the occurrence of a valid Exercise or a Stop Loss Event, the Certificates, in whole but not in part, on any Business Day by giving Certificateholders at least the Issuer Call Notice Period notice of its intention to terminate the Certificates, such notice to be given at any time from (and including) the Issuer Call Commencement Date. Any such notice shall be given in accordance with General Certificate Condition 8, and shall specify the Issuer Call Date and Settlement Date.

(D) Cash Settlement

Each Certificate entitles its holder, upon due Exercise, termination pursuant to an Issuer Call or following a Stop Loss Event, to receive from the Issuer on the Settlement Date:

- (i) the Exercise Cash Settlement Amount, following a valid Exercise;
- (ii) the Issuer Call Cash Settlement Amount, following a valid Issuer Call; or

(iii) the Stop Loss Cash Settlement Amount, following a Stop Loss Event.

Each of the Exercise Cash Settlement Amount, the Issuer Call Cash Settlement Amount and the Stop Loss Cash Settlement Amount is hereinafter referred to as a “**Cash Settlement Amount**”.

The Cash Settlement Amount will be subject to deduction of Expenses (other than in the case of Best Certificates and Limited Certificates where the Cash Settlement Amount is the Stop Loss Cash Settlement Amount).

The Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each Certificate to the Certificateholder’s account for value on the Settlement Date less any Expenses.

(E) General

The Calculation Agent shall give notice to the holders of the Certificates, in accordance with General Certificate Condition 8, of the occurrence of a Disrupted Day if it results in the postponement of any payment or delivery in respect of the Certificates.

4 Exercise Procedure in respect of Best Certificates and Open Ended Certificates

(A) Notice

Certificates may only be exercised by the delivery, or the sending by tested telex (confirmed in writing), of a duly completed notice (a “**Notice**”) in the form set out in the Certificate Agreement (copies of which form may be obtained from Euroclear Netherlands and the Certificate Agents during normal office hours) to Euroclear Netherlands with a copy to the Principal Certificate Agent in accordance with the provisions set out in General Certificate Condition 3 and this General Certificate Condition.

The Notice shall (among other things)

- (i) specify the series number of the Certificates and the number of Certificates being exercised;
- (ii) specify the number of the Certificateholder’s account at Euroclear Netherlands to be debited with the Certificates being exercised;
- (iii) irrevocably instruct Euroclear Netherlands to debit on or before the Settlement Date the Certificateholder’s account with the Certificates being exercised;
- (iv) specify the number of the Certificateholder’s account at Euroclear Netherlands to be credited with the Cash Settlement Amount (if any) for each Certificate being exercised;
- (v) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such Certificates and an authority to Euroclear Netherlands to deduct an amount in respect thereof from any Cash Settlement Amount due to such Certificateholder and/or to debit a specified account of the Certificateholder at Euroclear Netherlands in respect thereof and to pay such Expenses; and
- (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Certificate Agreement.

(B) Verification of the Certificateholder

Upon receipt of a Notice, Euroclear Netherlands shall verify that the person exercising the Certificates is the holder thereof according to the books of Euroclear Netherlands. Subject thereto, Euroclear Netherlands will confirm to the Principal Certificate Agent the series number and number of Certificates being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount. Upon receipt of such confirmation, the Principal Certificate Agent will inform the Issuer thereof. Euroclear Netherlands will on or before the Settlement Date debit the account of the relevant Certificateholder with the Certificates being exercised. Upon exercise of less than all the Certificates, a depository or common depository for the relevant clearing system(s) will, on the instructions of, and on behalf of, the Principal Certificate Agent, note such exercise and the number of Certificates so constituted shall be reduced by the cancellation *pro tanto* of the Certificates so exercised.

(C) Determinations

Any determination as to whether a Notice is duly completed and in proper form shall be made by Euroclear Netherlands in consultation with the Principal Certificate Agent, and shall be conclusive and binding on the Issuer, the Certificate Agents and the relevant Certificateholder.

Subject as set out below, any Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Certificate Agent immediately after being delivered or sent to Euroclear Netherlands as provided in paragraph (A) above, shall be null and void.

If such Notice is subsequently corrected to the satisfaction of Euroclear Netherlands in consultation with the Principal Certificate Agent, it shall be deemed to be a new Notice submitted at the time such correction was delivered to or Euroclear Netherlands and the Principal Certificate Agent.

Any Certificate with respect to which the Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in General Certificate Condition 3(A) shall become void.

Neither the Issuer nor the Certificate Agents shall be liable to any person with respect to any action taken or omitted to be taken by them in connection with any determination as to whether a Notice is complete or in proper form or the notification of such determination to a Certificateholder.

(D) Delivery of a Notice

Delivery of a Notice shall constitute an irrevocable election by the relevant Certificateholder to exercise the Certificates specified. After the delivery of such Notice, such exercising Certificateholder may not transfer such Certificates.

(E) Exercise Risk

Exercise of the Certificates is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date and none of the Issuer or any Certificate Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer or the Certificate Agents shall under any circumstances be liable for any acts or defaults of Euroclear Netherlands in relation to the performance of its duties in relation to the Certificates.

(F) Minimum and Maximum Number of Certificates Exercisable

The number of Certificates exercisable by any Certificateholder on the Exercise Date, as determined by the Issuer, must not be less than one. Any Notice which purports to exercise Certificates in breach of this provision shall be void and of no effect. There is no maximum number of Certificates exercisable on an Exercise Date unless otherwise stated in the relevant Final Terms.

5 Illegality

If the Issuer determines that the performance of its obligations under the Certificates or any Hedging Arrangement made to hedge its obligations thereunder has become illegal or otherwise prohibited in whole or in part for any reason, the Issuer may cancel the Certificates by giving notice to Certificateholders in accordance with General Certificate Condition 8.

Should any one or more of the provisions contained in these General Certificate Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer cancels the Certificates then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificateholder in respect of each Certificate held by such holder, which amount shall be the fair market value of a Certificate notwithstanding such illegality or prohibition less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any Hedging Arrangements all as determined by the Calculation Agent. Payment will be made in such manner as shall be notified to the Certificateholders in accordance with General Certificate Condition 8.

6 Purchases

The Issuer may, but is not obliged to, at any time purchase Certificates at any price in the open market or by tender or private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

7 Agents, Determinations and Modifications

(A) Certificate Agents

The specified offices of the Certificate Agents are as set out at the end of these General Certificate Conditions.

The Issuer reserves the right at any time to vary or terminate the appointment of any Certificate Agent and to appoint further or additional Certificate Agents, provided that no termination of appointment of the Principal Certificate Agent shall become effective until a replacement Principal Certificate Agent shall have been appointed and provided that, so long as any of the Certificates are listed or admitted to trading on a stock exchange, there shall be a Certificate Agent having a specified office in each location (if any) required by the rules and regulations of the relevant stock exchange. Notice of any termination of appointment and of any changes in the specified office of any Certificate Agent will be given to Certificateholders in accordance with General Certificate Condition 8. In acting under the Certificate Agreement, each Certificate Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Certificateholders and any determinations and calculations made in respect of the Certificates by any Certificate Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Certificateholders.

(B) Calculation Agent/Issuer

In relation to each issue of Certificates, the Calculation Agent (whether it be the Issuer or another entity) acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Certificateholders. For the purposes of the Certificates, any determinations, calculations or other decisions made by the Calculation Agent and/or the Issuer under or pursuant to the terms of the Certificates shall be made in its/their sole and absolute discretion. All such determinations, calculations or other decisions of the Calculation Agent and/or the Issuer shall (save in the case of manifest error) be final, conclusive and binding on all parties, and neither the Calculation Agent nor the Issuer shall have any liability to any person therefor.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

(C) Modifications

The Issuer may modify these General Certificate Conditions, the other terms and conditions applicable to any Certificates and/or the Certificate Agreement without the consent of the Certificateholders in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Certificateholders or such modification is of a formal, minor or technical nature or to correct a manifest error or to cure, correct or supplement any defective provision contained herein and/or therein. Notice of any such modification will be given to the Certificateholders in accordance with General Certificate Condition 8 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

8 Notices

All notices to Certificateholders shall be valid if delivered to Euroclear Netherlands for communication by them to the holders of the Certificates and, in addition, for so long as any Certificates are listed or admitted to trading on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in the manner required by the rules of that stock exchange (or other relevant authority). Notice shall be deemed to have been given to the holders of the Certificates on the first day after the day on which the said notice was given to Euroclear Netherlands.

9 Expenses and Taxation

- (A) A holder of Certificates must pay all Expenses relating to such Certificates as provided above.
- (B) The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Certificate and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

10 Further Issues

The Issuer shall be at liberty from time to time without the consent of Certificateholders to create and issue further Certificates so as to be consolidated with and form a single series with the outstanding Certificates.

11 Substitution of the Issuer

- (A) The Issuer may, without any further consent of the Certificateholders being required, when no payment or delivery obligation on any of the Certificates is in default, be replaced and substituted by any directly or indirectly wholly owned subsidiary of the Issuer (the “**Substituted Obligor**”) as principal obligor in respect of the Certificates provided that:
- (i) such documents shall be executed by the Substituted Obligor and the Issuer as may be necessary to give full effect to the substitution (together the “**Documents**”) and (without limiting the generality of the foregoing) pursuant to which the Substituted Obligor shall undertake in favour of each Certificateholder to be bound by the General Certificate Conditions of the Certificates and the provisions of the Certificate Agreement as fully as if the Substituted Obligor had been named in the Certificates and the Certificate Agreement as the principal obligor in respect of the Certificates in place of the Issuer and pursuant to which the Issuer shall guarantee, which guarantee shall be unconditional and irrevocable, (the “**Guarantee**”) in favour of each Certificateholder, the performance by the Substituted Obligor of all obligations under the Certificates;
 - (ii) the Documents shall contain a covenant by the Substituted Obligor and the Issuer to indemnify and hold harmless each Certificateholder against all liabilities, costs, charges and expenses (provided that insofar as the liabilities, costs, charges and expenses are taxes or duties, the same arise by reason of a law or regulation having legal effect or being in reasonable contemplation on the date such substitution becomes effective) which may be incurred by or levied against such holder as a result of any substitution pursuant to this General Certificate Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, such liabilities, costs, charges and expenses shall include any and all taxes or duties which are imposed on any such Certificateholder by any political subdivision or taxing authority of any country in which such Certificateholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);
 - (iii) the Documents shall contain a warranty and representation by the Substituted Obligor and the Issuer (a) that each of the Substituted Obligor and the Issuer has obtained all necessary governmental and regulatory approvals and consents for such substitution and the performance of its obligations under the Documents, and that all such approvals and consents are in full force and effect and (b) that the obligations assumed by each of the Substituted Obligor and the Issuer under the Documents are all valid and binding in accordance with their respective terms and enforceable by each Certificateholder;
 - (iv) each stock exchange which has Certificates listed or admitted to trading thereon shall have confirmed that following the proposed substitution of the Substituted Obligor such Certificates would continue to be listed or admitted to trading (as the case may be) on such stock exchange;
 - (v) the Substituted Obligor shall have delivered to the Principal Certificate Agent or procured the delivery to the Principal Certificate Agent of a legal opinion from a leading firm of local lawyers acting for the Substituted Obligor to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Obligor, such opinion to be dated not more than three days prior to the date of substitution of the Substituted Obligor for the Issuer and to be available for inspection by Certificateholders at the specified office of the Principal Certificate Agent;

- (vi) the Issuer shall have delivered to the Principal Certificate Agent or procured the delivery to the Principal Certificate Agent of a legal opinion from the internal legal adviser to the Issuer to the effect that the Documents (including the Guarantee) constitute legal, valid and binding obligations of the Issuer, such opinion to be dated not more than three days prior to the date of substitution of the Substituted Obligor for the Issuer and to be available for inspection by Certificateholders at the specified office of the Principal Certificate Agent;
 - (vii) the Issuer shall have delivered to the Principal Certificate Agent or procured the delivery to the Principal Certificate Agent of a legal opinion from a leading firm of English lawyers to the effect that the Documents (including the Guarantee) constitute legal, valid and binding obligations of the Substituted Obligor and the Issuer under English law, such opinion to be dated not more than three days prior to the date of substitution of the Substituted Obligor for the Issuer and to be available for inspection by Certificateholders at the specified office of the Principal Certificate Agent; and
 - (viii) the Substituted Obligor (if not incorporated in England) shall have appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Certificates or the Documents.
- (B) In connection with any substitution effected pursuant to this General Certificate Condition, neither the Issuer nor the Substituted Obligor need have any regard to the consequences of any such substitution for individual Certificateholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no Certificateholder, except as provided in General Certificate Condition 11(A)(ii), shall be entitled to claim from the Issuer or any Substituted Obligor under the Certificates any indemnification or payment in respect of any tax or other consequences arising from such substitution.
- (C) Upon the execution of the Documents as referred to in paragraph (A) above, and subject to the notification as referred to in paragraph (E) below having been given, the Substituted Obligor shall be deemed to be named in the Certificates as the principal obligor in place of the Issuer and the Certificates shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer from all of its obligations as principal obligor in respect of the Certificates save that any claims under the Certificates prior to release shall enure for the benefit of Certificateholders.
- (D) The Documents shall be deposited with and held by the Principal Certificate Agent for so long as any Certificates remain outstanding and for so long as any claim made against the Substituted Obligor by any Certificateholder in relation to the Certificates or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Obligor and the Issuer shall acknowledge in the Documents the right of every Certificateholder to the production of the Documents for the enforcement of any of the Certificates or the Documents.
- (E) Not later than 15 business days after the execution of the Documents, the Substituted Obligor shall give notice thereof to the Certificateholders in accordance with General Certificate Condition 8.

12 Contracts (Rights of Third Parties) Act 1999

The Certificates do not confer on a third party any right under the Contracts (Rights of Third Parties) Act 1999 (the “Act”) to enforce any term of the Certificates but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

13 Governing Law and Jurisdiction

The Certificates and the Certificate Agreement, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law.

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Certificates or the Certificate Agreement and accordingly any legal action or proceedings arising out of or in connection with any Certificates or the Certificate Agreement (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Certificates and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

The Issuer irrevocably appoints the General Manager for the time being of its London Branch, currently at 60 London Wall, London EC2M 5TQ as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Certificateholders of such appointment in accordance with General Certificate Condition 8. Nothing shall affect the right to serve process in any manner permitted by law.

PRODUCT CONDITIONS RELATING TO INDEX CERTIFICATES

The terms and conditions applicable to Certificates issued by the Issuer linked to an index shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “**Index Certificate Conditions**”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Index Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Index Certificates or Short Index Certificates.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(1) in the case of a Best Certificate which is a Long Index Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Best Certificate which is a Short Index Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(1) in the case of an Open Ended Certificate which is a Long Index Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of an Open Ended Certificate which is a Short Index Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Current Financing Level – Stop Loss Termination Reference Price) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(C) Limited Certificates

(1) in the case of a Limited Certificate which is a Long Index Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Limited Certificate which is a Short Index Certificate:

- (a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

- (b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer or any of its Affiliates, to (i) hold, acquire or dispose of any Component of the Index or to enter into transactions on or relating to any Component of the Index or (ii) perform its obligations under the Certificates; or

(Y) the Issuer or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of any Component of the Index, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**Component**” means in respect of an Index, any shares, equity options or other component comprised in such Index. If the Index itself comprises or includes one or more other Indices, “**Component**” shall be read and construed as the relevant underlying shares, equity options or other components.

“**Current Financing Level**” means, subject to adjustment in accordance with Index Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formula:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Funding Cost; and minus
- (c) if applicable, Notional Dividend Amounts.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Components or hedging the Certificates with futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Index Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Index Certificate Condition 2. The percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**Disrupted Day**” means, in respect of the Index, any Scheduled Trading Day on which (i) if “Multi-Exchange Index” is specified in the Final Terms, the Index Sponsor fails to publish the level of the Index or, if “Non Multi-Exchange Index” is specified in relation to the Index in the Final Terms, the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

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

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Index Certificate Condition 2.

“**Exchange(s)**” means, in respect of the Index, if “Non Multi-Exchange Index” is specified in relation to the Index in the Final Terms, the Exchange specified for the Index in the Final Terms and, if “Multi-Exchange Index” is specified in relation to the Index in the Final Terms, in respect of any securities comprised in the Index, the stock exchanges (from time to time) on which in the determination of the Calculation Agent such securities are listed for the purposes of the Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

“**Exchange Business Day**” means, in respect of the Index, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

“**Exchange Disruption**” means, in respect of the Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, (x) if “Multi-Exchange Index” is specified in relation to the Index in the Final Terms, any security comprised in the Index on any relevant Exchange and (y) if “Non Multi-Exchange Index” is specified in relation to the Index in the Final Terms, securities that comprise 20 per cent. or more of the level of the Index on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on any relevant Related Exchange.

“**Exchange Rate**” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“**Exercise**” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“**Exercise Date**” means, subject to a Stop Loss Event, the third Business Day preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“**Exercise Time**” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due upon Exercise, an Issuer Call or following a Stop Loss Event or otherwise in respect of such Certificate.

“**Final Reference Price**” means an amount equal to the official closing value of the Index at the Valuation Time on the Valuation Date as determined by the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such level can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the price of the Index on such date having regard to the then prevailing market conditions, the last reported trading price of the securities comprised in the Index on the Exchange and such other factors as the Calculation Agent determines relevant.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Funding Cost**” means, subject to adjustment in accordance with Index Certificate Condition 2, an amount, as determined by the Calculation Agent, equal to:

(1) in the case of a Long Index Certificate:

(a) Prevailing Rate plus Current Spread; multiplied by

- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

(2) in the case of a Short Index Certificate:

- (a) Prevailing Rate minus Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

The Funding Cost may be a negative number.

“**Hedging Arrangement**” means any hedging arrangements entered into by the Issuer and/or its Affiliates at any time with respect to the Certificates, including without limitation the entry into of any transaction(s) and/or purchase and/or sale of any Component of the Index or any other asset(s) to hedge the equity price risk of entering into and performing the obligations of the Issuer under the Certificates and any associated foreign exchange transactions.

“**Hedging Disruption**” means that the Issuer and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of any Component of the Index and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of any Component and/or any Hedging Arrangement and/or (C) any other event specified as such in the applicable Final Terms.

“**Index**” means the index specified as such in the Final Terms or any Successor Index.

“**Index Cancellation**” means, in respect of the Index, the Index Sponsor in respect of the Index cancels the Index and no Successor Index exists.

“**Index Disruption**” means, in respect of the Index, the Index Sponsor in respect of the Index fails to calculate and announce the Index Level.

“**Index Level**” means, in respect of the Index, on any relevant Scheduled Trading Day, the official closing level of the Index, as calculated and published by the Index Sponsor.

“**Index Modification**” means, in respect of the Index, the Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain such Index in the event of changes in constituent securities and capitalisation and other routine events).

“**Index Sponsor**” means, unless otherwise specified in the applicable Final Terms, the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, and if such day is not a Scheduled Trading Day, means the first succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Index and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Index Certificates or Short Index Certificates.

“**Long Index Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Market Disruption Event**” means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in each case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure or (iv) a Change in Law or a (v) a Hedging Disruption, provided that, if “Multi-Exchange Index” is specified in relation to the Index in the Final Terms, the securities comprised in the Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Calculation Agent, in aggregate to 20 per cent. or more of the level of the Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

“**Notional Dividend Amount**” means, if “Notional Dividend Amount” is applied by the Index Sponsor, an amount as determined by the Calculation Agent, equal to (1) in the case of a Long Index Certificate: (i) the sum of the cash dividends and/or other cash distributions in respect of each security comprised in the Index which have an ex-dividend date occurring during the Notional Dividend Period net of applicable withholding taxes without regard to any tax credits, or (ii) the market implied dividend during the Notional Dividend Period, less any Expenses; or (2) in the case of a Short Index Certificate: (i) the sum of the full cash dividends declared in respect of each security comprised in the Index which have an ex-dividend date occurring during the Notional Dividend Period without regard to any withholding taxes or other deductions, multiplied by the prevailing percentage payable under market standard stock borrow agreements, or (ii) the market implied dividend during the Notional Dividend Period, plus any Expenses.

“**Notional Dividend Period**” means, unless otherwise specified in the applicable Final Terms, each period from (but excluding) the Trade Date to (and including) the earlier of the next following Reset Date, Issuer Call Date, Valuation Date or the Stop Loss Termination Date and thereafter from (but excluding) the

Reset Date to (and including) the earlier of the next following Reset Date, Issuer Call Date, Valuation Date or the Stop Loss Termination Date.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Index Certificates or Short Index Certificates.

“**Prevailing Rate**” means the rate, as determined by the Calculation Agent in its sole and absolute discretion, for deposits in the Financing Level Currency (i) in the case of Open Ended Certificates, with a maturity of one month or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion or (ii) in the case of Best Certificates or Limited Certificates, with a period equal to the tenor of the Certificates or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion.

“**Related Exchange**” means, in respect of the Index, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index or such other options or futures exchange(s) as the Calculation Agent may select, any transferee exchange or quotation system or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

“**Relevant Number of Scheduled Trading Days**” means five Scheduled Trading Days.

“**Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day, as determined by the Calculation Agent.

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

“**Scheduled Trading Day**” means, in respect of the Index, (i) if “Multi-Exchange Index” is specified in relation to the Index in the Final Terms, any day on which the Index Sponsor is scheduled to publish the level of the Index and each Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if “Non Multi-Exchange Index” is specified in relation to the Index in the Final Terms, any day on which each relevant Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Short Index Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Stop Loss Event**” occurs if, subject to any adjustment in accordance with Index Certificate Condition 2, the level of the Index as calculated and published by the Index Sponsor (which shall be deemed to be a monetary value in the Financing Level Currency) is at any time on any Scheduled Trading Day, from and including the Trade Date, and other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, (1) in the case of a Long Index Certificate, less than or equal to the Stop

Loss Price; or (2) in the case of a Short Index Certificate, greater than or equal to the Stop Loss Price. If no such level is available, the level will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

(i) in the case of Best Certificates, the Current Financing Level;

(ii) in the case of Limited Certificates, the Current Financing Level; and

(iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Index Certificate Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:

(1) in the case of a Long Index Certificate:

(a) the Current Financing Level on the current Stop Loss Reset Date; plus

(b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

(2) in the case of a Short Index Certificate:

(a) the Current Financing Level on the current Stop Loss Reset Date; minus

(b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means (a) the first Business Day of each calendar month or (b) a Business Day, as determined by the Calculation Agent.

“**Stop Loss Termination Date**” means the first Scheduled Trading Day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Index Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion to be the fair value price for the Index as determined by the Calculation Agent by reference to an unwinding of any hedging position, whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner.

(1) in the case of a Long Index Certificate the Stop Loss Termination Reference Price will be equal to at least the lowest level of the Index on (i) the Stop Loss Termination Valuation Date or (ii) the following Scheduled Trading Day; or

(2) in the case of a Short Index Certificate the Stop Loss Termination Reference Price will be at most the highest level of the Index on (i) the Stop Loss Termination Valuation Date or (ii) the following Scheduled Trading Day.

“**Stop Loss Termination Valuation Date**” means the last Scheduled Trading Day during the Stop Loss Termination Valuation Period.

“**Stop Loss Termination Valuation Period**” means a reasonable period following the Stop Loss Event, as determined by the Calculation Agent in its sole and absolute discretion, which period shall be determined by the liquidity in the underlying market and shall not be greater than 2 days (and excluding for this purpose any period during which a Market Disruption Event is continuing).

“**Successor Index**” means, in respect of the Index, where the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Index, such successor index or index calculated and announced by the successor sponsor.

“**Termination Reference Price**” means an amount (which shall be deemed to be a monetary value in the Financing Level Currency) equal to the Index Level at the Valuation Time on the Issuer Call Date as determined by or on behalf of the Calculation Agent.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Trading Disruption**” means, in respect of the Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) if “Multi-Exchange Index” is specified in relation to the Index in the Final Terms, on any Exchange(s) relating to any security comprised in the Index or, if “Non Multi-Exchange Index” is specified in relation to the Index in the Final Terms, on the Exchange relating to securities that comprise 20 per cent or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on any Related Exchange.

“**Valuation Date**” means, the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price by determining the Index Level as of the Valuation Time on the last day of the Relevant Number of Scheduled Trading Days in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on the last day of the Relevant Number of Scheduled Trading Days of each security comprised in the Index (or, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on the last day of the Relevant Number of Scheduled Trading Days, its good faith estimate of the value for the relevant security as of the Valuation Time on the last day of the Relevant Number of Scheduled Trading Days); and/or (iii) the Issuer may make any adjustment or adjustments to the Exercise Cash Settlement Amount, the Issuer Call Cash Settlement Amount, the Stop Loss Cash Settlement Amount, any Index Level and/or any other relevant term of the Certificates (including the amount of interest payable, if any) as it deems necessary.

“**Valuation Time**” means the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to the Index. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to the provisions concerning Disrupted Days) the Valuation Time shall be such actual closing time.

2 Adjustments, Consequences of Certain Events and Currency

(A) Market Disruption Events

If the Calculation Agent determines that a Market Disruption Event has occurred, the Issuer, at its discretion, may (i) make any adjustment or adjustments to the Exercise Cash Settlement Amount, the

Issuer Call Cash Settlement Amount, the Stop Loss Cash Settlement Amount, any Index Level and/or any other relevant term of the Certificates (including the amount of interest payable, if any) as it deems necessary and/or (ii) redeem each Certificate at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Market Disruption Event, less, unless specified otherwise in the Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any Hedging Arrangement. The Issuer shall give notice to the holders of the Certificates of any such adjustment and/or any redemption of the Certificates hereunder in accordance with General Certificate Condition 8.

(B) Index Modification, Index Cancellation and/or Index Disruption

If the Calculation Agent determines that, in respect of the Index, an Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to any terms and conditions of the Certificates (each such other event, a “**Relevant Event**”), the Issuer may (a) make any adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary and/or (b) redeem each Certificate at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Index Modification, Index Cancellation, Index Disruption or Relevant Event, as applicable, less, unless specified otherwise in the Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any Hedging Arrangement. The Issuer shall give notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

(C) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the terms and conditions of the Certificates as it may deem necessary.

(D) Price Correction

In the event that any price or level published on the Exchange or by the Index Sponsor in respect of the Index and which is utilised for any calculation or determination made under the Certificates is subsequently corrected and the correction is published by the Exchange or the Index Sponsor within three Business Days after the original publication, the Calculation Agent has the right, but not the obligation, to determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer may adjust the terms and conditions of the Certificates to account for such correction.

(E) Currency

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the terms and conditions of the Certificates (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary. The Issuer shall give notice to the Certificateholders of any such adjustment in accordance with General Certificate Condition 8.

3 Index Disclaimer

The Certificates are not sponsored, endorsed, sold or promoted by the Index or of the Index Sponsor and the Index Sponsor has not made any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor are not under any obligation to advise any person of any error therein. The Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Certificates. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over the Index or of the Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Issuer and the Calculation Agent will obtain information concerning the Index from publicly available sources they believe to be reliable, they will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.

PRODUCT CONDITIONS RELATING TO SHARE CERTIFICATES

The terms and conditions applicable to Certificates issued by the Issuer linked to a share shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “**Share Certificate Conditions**”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Share Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Share Certificates or Short Share Certificates.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(1) in the case of a Best Certificate which is a Long Share Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Best Certificate which is a Short Share Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(1) in the case of an Open Ended Certificate which is a Long Share Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of an Open Ended Certificate which is a Short Share Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Current Financing Level – Stop Loss Termination Reference Price) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”); or

(C) Limited Certificates

(1) in the case of a Limited Certificate which is a Long Share Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Limited Certificate which is a Short Share Certificate:

- (a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

- (b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer or any of its Affiliates, to (i) hold, acquire or dispose of the Share or to enter into transactions on or relating to the Share or (ii) perform its obligations under the Certificates; or

(Y) the Issuer or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of the Share, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**Current Financing Level**” means, subject to adjustment in accordance with Share Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formula:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Funding Cost; and minus
- (c) if applicable, Notional Dividend Amounts.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Share or hedging the Certificates with futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Share Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Share Certificate Condition 2. The percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**Delisting**” means that the Exchange announces that pursuant to its rules the Share has ceased (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and the Share is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and the Share is no longer listed on an Exchange acceptable to the Issuer.

“**Disrupted Day**” means, in respect of the Share, any Scheduled Trading Day on which (i) the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

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

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Share Certificate Condition 2.

“**Exchange**” means, in respect of the Share, the Exchange specified for the Share in the Final Terms or otherwise the stock exchange on which the Share is, in the determination of the Calculation Agent, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Share on such successor or substitute exchange or quotation system as on the original Exchange).

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

“Exchange Disruption” means, in respect of the Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Share on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share on any Related Exchange.

“Exchange Rate” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“Exchange Traded Fund Cancellation” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Share Issuer is liquidated or otherwise terminated, the Calculation Agent, acting in its sole and absolute discretion determines that no Substitute Share Issuer exists and such event does not constitute an Insolvency Filing or an Insolvency.

“Exchange Traded Fund Constitution Breach” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, any failure to observe any of the objects, constitution, conditions or Fund Rules of the Share Issuer that is, in the determination of the Calculation Agent, material.

“Exchange Traded Fund Constitution Change” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, any modification of the objects, constitution, conditions or Fund Rules of the Share Issuer that is, in the determination of the Calculation Agent, material.

“Exchange Traded Fund Disruption” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Relevant Party responsible for calculating and announcing the net asset value of the Share Issuer fails to do so.

“Exchange Traded Fund Disruption Event” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, Exchange Traded Fund Cancellation, Exchange Traded Fund Constitution Breach, Exchange Traded Fund Constitution Change, Exchange Traded Fund Disruption and/or Exchange Traded Fund Modification.

“Exchange Traded Fund Management Company” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the investment manager of the Share Issuer or, in respect of any publication of the net asset value of the Share Issuer, the service provider responsible for publishing such net asset value.

“Exchange Traded Fund Modification” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Share Issuer or the Exchange Traded Fund Management Company announces that it will make or has made (in the opinion of the Issuer) a material change in the formula for or the method of calculating the net asset value of the Share Issuer or a Substitute Share Issuer (other than a modification prescribed in that formula or method to maintain the Share Issuer or a Substitute Share Issuer in the event of changes in constituent securities and capitalisation and other routine events).

“Exercise” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“Exercise Date” means, subject to a Stop Loss Event, the third Business Day preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“Exercise Time” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due following Exercise, an Issuer Call or Stop Loss Event or otherwise in respect of such Certificate.

“**Extraordinary Dividend**” means, in respect of the Share, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Calculation Agent.

“**Final Reference Price**” means an amount equal to the price of the Share quoted on the Exchange at the Valuation Time on the Valuation Date as determined by the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, based, at the Calculation Agent’s discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Final Reference Price, all as determined by or on behalf of the Calculation Agent.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Fund Rules**” means, where “Exchange Traded Fund” is specified to be applicable, with respect to a Share Issuer, the terms of the bye-laws and other associated documentation relating to such Share Issuer and any other rules or regulations relating to such Share Issuer and the relevant Share (including any prospectus in respect thereof) existing on the Issue Date, including its investment guidelines and restrictions.

“**Funding Cost**” means, subject to adjustment in accordance with Share Certificate Condition 2, an amount, as determined by the Calculation Agent, equal to:

(1) in the case of a Long Share Certificate:

- (a) Prevailing Rate plus Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

(2) in the case of a Short Share Certificate:

- (a) Prevailing Rate minus Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

The Funding Cost may be a negative number.

“**Hedging Arrangement**” means any hedging arrangements entered into by the Issuer and/or its Affiliates at any time with respect to the Certificates, including without limitation, the entry into of any transaction(s) and/or the purchase and/or sale of the Share or any other asset(s) to hedge the equity price risk

of entering into and performing the obligations of the Issuer under the Certificates and any associated foreign exchange transactions.

“**Hedging Disruption**” means that the Issuer and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of the Share and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of the Share and/or any Hedging Arrangement and/or (C) any other event specified as such in the applicable Final Terms.

“**Insolvency**” means, in respect of the Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Issuer, (A) all the Shares of the Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of the Share Issuer become legally prohibited from transferring them.

“**Insolvency Filing**” means:

(X) where “Exchange Traded Fund” is not specified to be applicable in the Final Terms, that the Calculation Agent determines that the Share Issuer has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition; or

(Y) where “Exchange Traded Fund” is specified to be applicable in the Final Terms, that the Calculation Agent determines that the Share Issuer or any other Relevant Party, which, in the determination of the Calculation Agent, has a substantial connection with, and/or substantial influence on the operation of, the Share Issuer, has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, and if such day is not a Scheduled Trading Day, means the first succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Share on the Exchange and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Share Certificates or Short Share Certificates.

“**Long Share Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Market Disruption Event**” means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in each case the Calculation Agent determines in its sole discretion is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure or (iv) a Change in Law or (v) a Hedging Disruption or (vi) an Insolvency Filing or (vii) where “Exchange Traded Fund” is specified to be applicable in the Final Terms, an Exchange Traded Fund Disruption Event and/or an Underlying Index Disruption Event.

“**Merger Date**” means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

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

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

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

“**Notional Dividend Amount**” means, if “Notional Dividend Amount” is applied by the Share Issuer, an amount as determined by the Calculation Agent, equal to (1) in the case of a Long Share Certificate (i) the sum of the cash dividends and/or other cash distributions in respect of the Share which has an ex-dividend date occurring during the Notional Dividend Period net of applicable withholding taxes without regard to any tax credits, or (ii) the market implied dividend during the Notional Dividend Period, less any Expenses; or (2) in the case of a Short Share Certificate: (i) the sum of full cash dividends declared in respect of the Share which has an ex-dividend date occurring during the Notional Dividend Period without regard to any withholding taxes or other deductions, multiplied by the prevailing percentage payable under market standard

stock borrow agreements, or (ii) the market implied dividend during the Notional Dividend Period, plus any Expenses.

“**Notional Dividend Period**” means, unless otherwise specified in the applicable Final Terms, each period from (but excluding) the Trade Date to (and including) the earlier of the next following Reset Date, Issuer Call Date, Valuation Date or the Stop Loss Termination Date and thereafter from (but excluding) the Reset Date to (and including) the earlier of the next following Reset Date, Issuer Call Date, Valuation Date or the Stop Loss Termination Date.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Share Certificates or Short Share Certificates.

“**Other Consideration**” means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party).

“**Potential Adjustment Event**” means any of the following:

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

“**Prevailing Rate**” means the rate, as determined by the Calculation Agent in its sole and absolute discretion, for deposits in the Financing Level Currency (i) in the case of Open Ended Certificates, with a maturity of one month or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion or (ii) in the case of Best Certificates or Limited Certificates, with a period equal to the

tenor of the Certificates or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion.

“**Related Exchange**” means, in respect of the Share, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Share or such other options or futures exchange(s) as the Calculation Agent may select, any transferee exchange or quotation system or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

“**Relevant Number of Scheduled Trading Days**” means five Scheduled Trading Days.

“**Relevant Party**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Share Issuer, its Exchange Traded Fund Management Company or any prime broker, custodian or other service provider to the Share Issuer which, in the reasonable opinion of the Calculation Agent, is of substantial importance to the operation of the Share Issuer.

“**Reset Date**” means, means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent.

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

“**Scheduled Trading Day**” means, in respect of the Share, any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Share**” means the share specified as such in the Final Terms. For the avoidance of doubt, references to “Share” in the General Certificate Conditions and the Share Certificate Conditions include shares or units in an exchange traded fund and related expressions shall be construed accordingly.

“**Share Issuer**” has the meaning ascribed to it in the Final Terms.

“**Short Share Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Stop Loss Event**” occurs if, subject to any adjustment in accordance with Share Certificate Condition 2, the price of the Share on the Exchange is at any time on any Scheduled Trading Day, from and including the Trade Date, and other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, (1) in the case of a Long Share Certificate, less than or equal to the Stop Loss Price; or (2) in the case of a Short Share Certificate, greater than or equal to the Stop Loss Price. If no such level is available, the level will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

- (i) in the case of Best Certificates, the Current Financing Level;
- (ii) in the case of Limited Certificates, the Current Financing Level; and

(iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Share Certificate Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:

(1) in the case of a Long Share Certificate:

- (a) the Current Financing Level on the current Stop Loss Reset Date; plus
- (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

(2) in the case of a Short Share Certificate:

- (a) the Current Financing Level on the current Stop Loss Reset Date; minus
- (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent.

“**Stop Loss Termination Date**” means the first Scheduled Trading Day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Share Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion to be the fair value price of the Share as determined by the Calculation Agent by reference to an unwinding of any hedging position, whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner.

(1) in the case of a Long Share Certificate the Stop Loss Termination Reference Price will be equal to at least the lowest price of the Share on (i) the Stop Loss Termination Valuation Date or (ii) the following Scheduled Trading Day; or

(2) in the case of a Short Share Certificate the Stop Loss Termination Reference Price will be at most the highest price of the Share on (i) the Stop Loss Termination Valuation Date or (ii) the following Scheduled Trading Day.

“**Stop Loss Termination Valuation Date**” means the last Scheduled Trading Day during the Stop Loss Termination Valuation Period.

“**Stop Loss Termination Valuation Period**” means a reasonable period following the Stop Loss Event, as determined by the Calculation Agent in its sole and absolute discretion, which period shall be determined by the liquidity in the underlying market and shall not be greater than 2 days (and excluding for this purpose any period during which a Market Disruption Event is continuing).

“**Substitute Share Issuer**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, a successor or substitute exchange traded fund which in the reasonable opinion of the Calculation Agent has a similar risk profile and investment objective to the Share Issuer.

“**Successor Underlying Index**” means, where the Underlying Index is (i) not calculated and announced by the Underlying Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the

calculation of the Underlying Index, such successor index or index calculated and announced by the successor sponsor.

“**Tender Offer**” means, in respect of the Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

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

“**Termination Reference Price**” means an amount (which shall be deemed to be a monetary value in the Financing Level Currency) equal to the price of the Share at the Valuation Time on the Issuer Call Date as determined by or on behalf of the Calculation Agent.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

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

“**Underlying Index**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the index tracked by the Share and/or the Share Issuer on the Issue Date and specified as such in the Final Terms (if any).

“**Underlying Index Cancellation**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Underlying Index Sponsor cancels the Underlying Index and no Successor Underlying Index exists.

“**Underlying Index Disruption**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Underlying Index Sponsor fails to calculate and announce the level of the Underlying Index.

“**Underlying Index Disruption Event**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, an Underlying Index Cancellation, Underlying Index Disruption and/or Underlying Index Modification.

“**Underlying Index Exchange**” means, in respect of the Underlying Index, (a) if “Non Multi-Exchange Index” is specified in the Final Terms, the Underlying Index Exchange specified in the Final Terms or (b) if “Multi-Exchange Index” is specified in the Final Terms, in respect of any security comprised in the Underlying Index, any stock exchange (from time to time) on which, in the determination of the Issuer, such security is listed for the purposes of such Underlying Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any such security comprised in the Underlying Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such security on such successor or substitute exchange or quotation system as on the original Underlying Index Exchange).

“**Underlying Index Modification**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Underlying Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating level of the Underlying Index or in

any other way materially modifies the Underlying Index (other than a modification prescribed in that formula or method to maintain the Underlying Index in the event of changes in constituent securities and capitalisation and other routine events).

“**Underlying Index Related Exchange**” means, in respect of the Underlying Index, each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Underlying Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Underlying Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Underlying Index on such temporary substitute exchange or quotation system as on the original Underlying Index Related Exchange).

“**Underlying Index Scheduled Trading Day**” means (i) if “Multi-Exchange Index” is specified in the Final Terms, any day on which the Underlying Index Sponsor is scheduled to publish the level of the Underlying Index and each Underlying Index Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if “Non Multi-Exchange Index” is specified in the Final Terms, any day on which the Underlying Index Exchange and each Underlying Index Related Exchange is scheduled to be open for trading for its regular trading session.

“**Underlying Index Sponsor**” means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the corporation or other entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Underlying Index and (b) announces (directly or through an agent) the level of the Underlying Index on a regular basis during each Underlying Index Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Underlying Index or any agent or person acting on behalf of such person.

“**Valuation Date**” means the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Share on the Exchange and such other factors as the Calculation Agent determines to be relevant; and/or (iii) the Issuer may make any adjustment or adjustments to the Exercise Cash Settlement Amount, the Issuer Call Cash Settlement Amount, the Stop Loss Cash Settlement Amount and/or any other relevant term of the Certificates (including the amount of interest payable, if any) as it deems necessary.

“**Valuation Time**” means the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to the Share. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to the provisions concerning Disrupted Days) the Valuation Time shall be such actual closing time.

2 Adjustments, Consequences of Certain Events and Currency

(A) *Market Disruption Events*

If the Calculation Agent determines that a Market Disruption Event has occurred, the Issuer, at its discretion, may (i) make any adjustment or adjustments to the Exercise Cash Settlement Amount, the Issuer Call Cash Settlement Amount, the Stop Loss Cash Settlement Amount and/or any other relevant term of the Certificates (including the amount of interest payable, if any) as it deems necessary to account for any Market Disruption Event if it considers it appropriate to do so and/or (ii) redeem each Certificate at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Market Disruption Event, less, unless specified otherwise in the Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any Hedging Arrangement. The Issuer shall give notice to the holders of the Certificates of any such adjustment and/or any redemption of the Certificates hereunder in accordance with General Certificate Condition 8.

(B) *Adjustments*

If the Calculation Agent determines that a Potential Adjustment Event has occurred in respect of the Share or that there has been an adjustment to the settlement terms of listed contracts on the Share traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the Share and, if so, will (a) request the Issuer to make the corresponding adjustment(s), if any, to any of the terms and conditions of the Certificates as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the Share traded on that options exchange.

(C) *Consequences of a Merger Event*

If the Calculation Agent determines that a Merger Event has occurred in respect of the Share, the Issuer may:

- (i) cancel the Certificates by giving notice to Certificateholders in accordance with General Certificate Condition 8. If the Certificates are so cancelled the Issuer will pay an amount to each Certificateholder in respect of each Certificate held by it which amount shall be the fair market value of a Certificate taking into account the Merger Event less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any Hedging Arrangements all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Certificateholders in accordance with General Certificate Condition 8;
- (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Certificates as the Calculation Agent determines appropriate to account for the economic effect on the Certificates of such Merger Event (provided that no adjustments will be made solely to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share or to the Certificates), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to

options on the Share traded on such options exchange and determine the effective date of that adjustment; and/or

- (iii) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the relevant “Shares” and the relevant “Share Issuer”, respectively, and if the Calculation Agent determines to be appropriate, the Issuer will adjust any relevant terms and conditions of the Certificates as it may determine.

The Issuer shall give notice of such cancellation, adjustment or deemed change to Certificateholders in accordance with General Certificate Condition 8.

3 Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred in respect of the Share, then on or after the relevant Tender Offer Date the Issuer may:

- (i) cancel the Certificates by giving notice to Certificateholders in accordance with General Certificate Condition 8. If the Certificates are so cancelled the Issuer will pay an amount to each Certificateholder in respect of each Certificate held by it which amount shall be the fair market value of a Certificate taking into account the Tender Offer less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any Hedging Arrangements all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Certificateholders in accordance with General Certificate Condition 8; or
- (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Certificates as the Calculation Agent determines appropriate to account for the economic effect on the Certificates of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Certificates), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the Share traded on such options exchange and determine the effective date of that adjustment.

The Calculation Agent shall give notice of such cancellation or adjustment to Certificateholders in accordance with General Certificate Condition 8.

4 Nationalisation, Insolvency or De-listing

If in respect of the Share or a Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may (i) request the Calculation Agent to determine the appropriate adjustment, if any, to be made to any of the terms and conditions of the Certificates to account for the Nationalisation, Insolvency or Delisting, as the case may be, and determine the effective date of that adjustment or (ii) cancel the Certificates. If the Certificates are so cancelled the Issuer will pay an amount to each Certificateholder in respect of each Certificate held by it which amount shall be the fair market value of a Certificate taking into account the Nationalisation, Insolvency or De-listing (as the case may be), less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any

Hedging Arrangements all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Certificateholders in accordance with General Certificate Condition 8. Notice of any cancellation of the Certificates or determination pursuant to this paragraph shall be given to Certificateholders in accordance with General Certificate Condition 8.

5 Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the Entitlement and such other terms and conditions of the Certificates as it may deem necessary.

6 Price Correction

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Certificates is subsequently corrected and the correction is published by the Exchange within three Business Days (or such other period as may be specified in the Final Terms) after the original publication, the Calculation Agent has the right, but not the obligation, to determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer may adjust the terms and conditions of the Certificates to account for such correction.

7 Currency

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to any terms and conditions of the Certificates (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary. The Issuer shall give notice to the Certificateholders of any such adjustment in accordance with General Certificate Condition 8.

8 Change in currencies

If, at any time after the Issue Date of the Certificates, there is any change in the currency in which the Share is quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Certificates as the Calculation Agent determines appropriate to preserve the economic terms of the Certificates. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Certificates.

PRODUCT CONDITIONS RELATING TO CURRENCY CERTIFICATES

The terms and conditions applicable to Certificates issued by the Issuer linked to a currency shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “Currency Certificate Conditions”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Currency Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Currency Certificates or Short Currency Certificates.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(1) in the case of a Best Certificate which is a Long Currency Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Best Certificate which is a Short Currency Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(1) in the case of an Open Ended Certificate which is a Long Currency Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of an Open Ended Certificate which is a Short Currency Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Current Financing Level – Stop Loss Termination Reference Price) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”); or

(C) Limited Certificates

(1) in the case of a Limited Certificate which is a Long Currency Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Limited Certificate which is a Short Currency Certificate:

- (a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

- (b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**Current Financing Level**” means, subject to adjustment in accordance with Currency Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formula:

- (a) the Current Financing Level on the previous Reset Date; plus
(b) Funding Cost.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Underlying Currency or hedging the Certificates with futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Currency Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Currency Certificate Condition 2. The

percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**De Minimis Trading**” means the number of contracts traded with respect to the Underlying FX Rate is such that the Issuer declares that its ability to enter into hedging transactions with respect to the Underlying FX Rate has been impaired due to a lack of, or a material reduction in, trading in the Underlying FX Rate.

“**Disrupted Day**” means, in respect of the Underlying FX Rate, any day on which a Market Disruption Event has occurred.

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Currency Certificate Condition 2.

“**Exchange Rate**” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“**Exercise**” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“**Exercise Date**” means, subject to a Stop Loss Event, the third Business Day preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“**Exercise Time**” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due following Exercise, an Issuer Call or Stop Loss Event or otherwise in respect of such Certificate.

“**Final Reference Price**” means an amount equal to:

(1) in the case of a Long Currency Certificate, the bid-price of the Underlying FX Rate quoted the Relevant Screen Page at the Valuation Time on the Valuation Date as determined by the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the bid-price of the Underlying FX Rate on such date having regard to the then prevailing market conditions, the last reported trading price of the Underlying FX Rate and such other factors as the Calculation Agent determines relevant; or

(2) in the case of a Short Currency Certificate, the ask-price of the Underlying FX Rate quoted the Relevant Screen Page at the Valuation Time on the Valuation Date as determined by the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the ask-price of the Underlying FX Rate on such date having regard to the then prevailing market conditions, the

last reported trading price of the Underlying FX Rate and such other factors as the Calculation Agent determines relevant.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Funding Cost**” means, subject to adjustment in accordance with Currency Certificate Condition 2, an amount, as determined by the Calculation Agent, equal to:

(1) in the case of a Long Currency Certificate:

the Current Financing Level on the previous Reset Date; multiplied by

- (a) Prevailing Rate for the Financing Level Currency multiplied by the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency; minus
- (b) Prevailing Rate for the Underlying Currency (or if no Underlying Currency is so specified in the applicable Final Terms, the Settlement Currency) multiplied by the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Underlying Currency (or if no Underlying Currency is so specified in the applicable Final Terms, the Settlement Currency); plus
- (c) Current Spread multiplied by the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Settlement Currency.

(2) in the case of a Short Currency Certificate:

the Current Financing Level on the previous Reset Date; multiplied by

- (a) Prevailing Rate for the Underlying Currency (or if no Underlying Currency is so specified in the applicable Final Terms, the Settlement Currency) multiplied by the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Underlying Currency (or if no Underlying Currency is so specified in the applicable Final Terms, the Settlement Currency); minus
- (b) Prevailing Rate for the Financing Level Currency multiplied by the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency; minus
- (c) Current Spread multiplied by the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Settlement Currency.

The Funding Cost may be a negative number.

“**General Inconvertibility**” means the occurrence of any event that generally makes it impossible to convert the currencies in the Underlying FX Rate through customary legal channels for conducting such conversion in the principal financial centre of the Financing Level Currency.

“**General Non-Transferability**” means the occurrence of any event that generally makes it impossible to deliver the Financing Level Currency (i) from accounts in the country of the principal financing centre of the Financing Level Currency or (ii) between accounts in such jurisdiction or to a party that is a non-resident of such jurisdiction.

“**Governmental Authority**” means any de facto or de jure government (or agency or instrumentality thereof, court, tribunal, administrative or other governmental authority) or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the country of the principal financial centre of either of the currencies in the Underlying FX Rate.

“**Governmental Authority Default**” means, with respect to any security or indebtedness for borrowed money of, or guaranteed by, any Governmental Authority, the occurrence of a default, event of default or other similar condition or event (howsoever described) including, but not limited to, (i) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness for borrowed money or guarantee, (ii) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of such security, indebtedness for borrowed money or guarantee or (iii) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of any such security, indebtedness for money borrowed or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for money borrowed or guarantee.

“**Illiquidity**” means it becomes impossible to obtain a firm quote for the Underlying FX Rate or the Financing Level Currency for an amount which the Issuer considers necessary to discharge its obligations under the Certificates.

“**Inconvertibility/Non-Transferability**” means the occurrence of any event which constitutes a General Inconvertibility, a General Non-Transferability, a Specific Inconvertibility and a Specific Non-Transferability.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding day that is not a Disrupted Day, unless each of the Relevant Number of Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Underlying FX Rate and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Currency Certificates or Short Currency Certificates.

“**Long Currency Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Market Disruption Event**” means the occurrence, with respect to the Underlying FX Rate, of a General Inconvertibility, a General Non-Transferability, a Governmental Authority Default, an Illiquidity, De Minimis Trading, an Inconvertibility/Non-Transferability, a Material Change in Circumstances, a Nationalisation, a Price Source Disruption, a Specific Inconvertibility or a Specific Non-Transferability.

“**Material Change in Circumstances**” means the occurrence of any event (other than those events specified as Market Disruption Events in the Final Terms) beyond the control of the Issuer which could make it impracticable or impossible for it to perform its obligations under the Certificates.

“**Nationalisation**” means any expropriation, confiscation, requisition, nationalisation or other action by any Governmental Authority which deprives the Issuer (or its Affiliates), of all or substantially all of its assets in the country of the principal financial centre of the Financing Level Currency.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Currency Certificates or Short Currency Certificates.

“**Prevailing Rate**” means the rate, as determined by the Calculation Agent in its sole and absolute discretion, for deposits in the Financing Level Currency or the Settlement Currency (or Underlying Currency where Underlying Currency is defined in the applicable Final Terms) (as appropriate) (i) in the case of Open Ended Certificates, with a maturity of one month or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion or (ii) in the case of Best Certificates or Limited Certificates, with a period equal to the tenor of the Certificates or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion..

“**Price Source Disruption**” means it becomes impossible to obtain the Underlying FX Rate in the inter-bank market.

“**Relevant Number of Days**” means five Business Days.

“**Relevant Screen Page**” means as specified in the applicable Final Terms.

“**Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent.

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Short Currency Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Specific Inconvertibility**” means the occurrence of any event that makes it impossible for the Issuer to convert the currencies in the Underlying FX Rate other than where such impossibility is due solely to the failure by the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Specific Non-Transferability**” means the occurrence of any event that makes it impossible for the Issuer to deliver the Financing Level Currency (i) from accounts in the country of the principal financing centre of the Financing Level Currency or (ii) between accounts in such jurisdiction or to a party that is a non-resident of such jurisdiction, other than where such impossibility is due solely to the failure by the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or

regulation is enacted after the Trade Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Stop Loss Event**” occurs if, subject to any adjustment in accordance with Currency Certificate Condition 2, (1) in the case of a Long Currency Certificate, the low price of the Underlying FX Rate quoted on the Relevant Screen Page specified as such in the applicable Final Terms on any day, from and including the Trade Date, other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, is less than or equal to the Stop Loss Price; or (2) in the case of a Short Currency Certificate, the high price of the Underlying FX Rate quoted on the Relevant Screen Page specified as such in the applicable Final Terms on any day, from and including the Trade Date, other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, is greater than or equal to the Stop Loss Price. If no such level is available, the level will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

(i) in the case of Best Certificates, the Current Financing Level;

(ii) in the case of Limited Certificates, the Current Financing Level; and

(iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Currency Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:

(1) in the case of a Long Currency Certificate:

(a) the Current Financing Level on the current Stop Loss Reset Date; plus

(b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

(2) in the case of a Short Currency Certificate:

(a) the Current Financing Level on the current Stop Loss Reset Date; minus

(b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent.

“**Stop Loss Termination Date**” means the first day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Currency Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion to be equal to:

(1) in the case of a Long Currency Certificate the higher of (i) the fair value price of the Underlying FX Rate as determined by the Calculation Agent by reference to an unwinding of any hedging position, whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner and (ii) the lowest level of the Underlying FX Rate on the Stop Loss Termination Valuation Date; or

(2) in the case of a Short Currency Certificate the higher of (i) the fair value price of the Underlying FX Rate as determined by the Calculation Agent by reference to an unwinding of any hedging position,

whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner and (ii) the highest level of the Underlying FX Rate on the Stop Loss Termination Valuation Date.

“**Stop Loss Termination Valuation Date**” means the Stop Loss Termination Date or, if such date is a Saturday or Sunday or if the Stop Loss Event occurs at the Valuation Time on the Stop Loss Termination Date, the following Business Day.

“**Termination Reference Price**” means an amount specified in the applicable Final Terms, or if Termination Reference Price is not so specified, (1) in the case of a Long Currency Certificate, an amount equal to the bid-price of the Underlying FX Rate quoted on the Relevant Screen Page at the Valuation Time on the Issuer Call Date or (2) in the case of a Short Currency Certificate, the ask-price of the Underlying FX Rate quoted on the Relevant Screen Page at the Valuation Time on the Issuer Call Date, both as determined by or on behalf of the Calculation Agent.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Underlying Currency**” means the currency specified as such in the applicable Final Terms, or, if no such currency is so specified, shall not be applicable.

“**Underlying FX Rate**” means the rate specified as such in the applicable Final Terms.

“**Valuation Date**” means the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding day that is not a Disrupted Day, unless each of the Relevant Number of Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Days shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Underlying FX Rate and such other factors as the Calculation Agent determines to be relevant.

“**Valuation Time**” means the time specified as such in the applicable Final Terms, or such other time as the Issuer may determine in its absolute discretion and notify to Certificateholders in accordance with General Certificate Condition 8.

2 Adjustments

(A) *Market Disruption Events*

The Issuer shall, as soon as reasonably practicable under the circumstances notify the Certificateholders in accordance with General Certificate Condition 8 if the Calculation Agent determines that a Market Disruption Event has occurred. The Issuer may make adjustments to the terms and conditions of the Certificates in order to account for any Market Disruption Event if it considers it appropriate to do so. The Issuer shall give notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

(B) *Corrections*

If the Calculation Agent determines in respect of the Underlying FX Rate, that the rate published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Certificates is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days

(or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent has the right, but not the obligation, to determine, in its sole and absolute discretion, the amount (if any) that is payable following that correction, and, whether any adjustment to the terms and conditions of the Certificates is required to account for such correction. If the Calculation Agent determines that an adjustment to the terms and conditions is required, the Issuer may as soon as reasonably practicable adjust the terms and conditions of the Certificates to account for such correction.

(C) Currency

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the terms and conditions of the Certificates (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary. The Issuer shall give notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

PRODUCT CONDITIONS RELATING TO COMMODITY CERTIFICATES

*The terms and conditions applicable to Certificates issued by the Issuer linked to a commodity shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “**Commodity Certificate Conditions**”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Commodity Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.*

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Commodity Certificates or Short Commodity Certificates.

“**Bullion**” means Gold, Silver, Platinum or Palladium, as the case may be.

“**Bullion Business Day**” means, in respect of any Commodity Certificates for which the Commodity is Bullion, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and in the location where payment is to be made.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(1) in the case of a Best Certificate which is a Long Commodity Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Best Certificate which is a Short Commodity Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(1) in the case of an Open Ended Certificate which is a Long Commodity Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of an Open Ended Certificate which is a Short Commodity Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Current Financing Level – Stop Loss Termination Reference Price) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”); or

(C) Limited Certificates

(1) in the case of a Limited Certificate which is a Long Commodity Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Limited Certificate which is a Short Commodity Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**CBOT**” means the Chicago Board of Trade or its successor.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, the Commodity Futures Trading Commission or any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer or any of its Affiliates, to (i) hold, acquire or dispose of the Commodity or to enter into transactions on or relating to the Commodity (including without limitation, futures contracts) or (ii) perform its obligations under the Certificates; or

(Y) the Issuer or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of the Commodity, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**Coffee**” means deliverable grade washed arabica coffee.

“**Coffee-ICE**” means that the price for a Pricing Date will be that day’s Specified Price per pound of Coffee on the Exchange of the Futures Contract given at any time on that Pricing Date, stated in U.S. cents, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**COMEX**” means the COMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

“**Commodity**” means the commodity specified as such in the applicable Final Terms, subject to Commodity Certificate Condition 2.

“**Commodity Business Day**” means (a) in respect of the Commodity (provided the Commodity is not Bullion) if the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and (b) in respect of the Commodity (provided the Commodity is not Bullion) if the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price.

“**Commodity Reference Price**” means (a) in the case of a Commodity which is Bullion, the spot price as specified in the Final Terms or (b) in the case of a Commodity other than Bullion, the futures contract reference price for the Commodity as specified in the Final Terms.

“**Copper**” means high grade copper.

“**Copper-COMEX**” means that the price for a Pricing Date will be that day’s Specified Price per pound of Copper on the Exchange of the Futures Contract for the Delivery Date given at any time on that Pricing Date, stated in U.S. cents, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Current Financing Level**” means, subject to adjustment in accordance with Commodity Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formulae:

(1) in the case of the Issuer using the spot price of the Commodity as the Specified Price:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Funding Cost.

(2) in the case of the Issuer using the Futures Contract as the Commodity Reference Price:

(i) in the case of a Long Commodity Certificate:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Handling Cost; minus
- (c) if such determination is to be made on a Rollover Date, the corresponding Rollover Spread.

(ii) in the case of a Short Commodity Certificate:

- (a) the Current Financing Level on the previous Reset Date; minus
- (b) Handling Cost; minus
- (c) if such determination is to be made on a Rollover Date, the corresponding Rollover Spread.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Commodity or hedging the Certificates with the Commodity or futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Commodity Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Commodity Certificate Condition 2. The percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**De Minimis Trading**” means the number of contracts traded on the Exchange with respect to the Commodity is such that the Issuer declares that its ability to enter into hedging transactions with respect to the Commodity has been impaired due to a lack of, or a material reduction in, trading in the Commodity on the Exchange.

“**Delivery Date**” means, in respect of a Commodity Reference Price, the Nearby Month of expiration of the relevant Futures Contract or the relevant date or month for delivery of the underlying (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (i) if a date is, or a month and year are, specified in the Final Terms, that date or that month and year;
- (ii) if a Nearby Month is specified in the Final Terms, the month of expiration of the relevant Futures Contract; and
- (iii) if a method is specified for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method,

as determined by the Calculation Agent. “**Disappearance of Commodity Reference Price**” means, in respect of a Relevant Commodity Price, (A) the permanent discontinuation of trading in the Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the Commodity; or (C) the disappearance or permanent discontinuance or unavailability of the relevant Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or Commodity.

“**Disrupted Day**” means, in respect of the Commodity, any Pricing Date on which a Market Disruption Event has occurred.

“**Early Closure**” means, in respect of the Commodity, the closure on any Exchange Business Day of the Exchange(s) or Related Exchange(s) prior to its/their Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such

Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange(s) or Related Exchange(s) system(s) for execution at the Valuation Time on an Exchange Business Day.

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Commodity Certificate Condition 2.

“**Exchange**” means, in respect of the Commodity, the exchange or principal trading market specified in the applicable Final Terms or relevant Commodity Reference Price, or its successor.

“**Exchange Business Day**” means, in respect of the Commodity, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

“**Exchange Rate**” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“**Exercise**” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“**Exercise Date**” means, subject to a Stop Loss Event, the third Commodity Business Day or Bullion Business Day, as applicable, preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“**Exercise Time**” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due following Exercise, an Issuer Call or Stop Loss Event or otherwise in respect of such Certificate.

“**Final Reference Price**” means an amount equal to the Specified Price of the Commodity quoted on the relevant Price Source at the Valuation Time on the Valuation Date as determined by or on behalf of the Calculation Agent without any regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the Specified Price of the Commodity on such date having regard to the then prevailing market conditions, the last reported trading price of the Commodity and such other factors as the Calculation Agent determines relevant.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Funding Cost**” means, subject to adjustment in accordance with Commodity Certificate Condition 2, an amount, as determined by the Calculation Agent, equal to:

(1) in the case of a Long Commodity Certificate:

(a) Prevailing Rate plus Current Spread; multiplied by

- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

(2) in the case of a Short Commodity Certificate:

- (a) Prevailing Rate minus Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

The Funding Cost may be a negative number.

“**Futures Contract**” means, in respect of any Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Commodity Reference Price (if any) and thereafter a financially equivalent futures contract (the “**Substitute Futures Contract**”) selected by the Issuer. On the Rollover Date the Issuer shall make its selection of the Substitute Futures Contract and on such date the Issuer, shall, during Trading Hours, effect substitution of the Futures Contract for the Substitute Futures Contract at the Rollover Spread and thereafter the Substitute Futures Contract shall for all purposes be the Futures Contract.

“**Gold**” means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

“**Gold-Spot**” means that the price for a Pricing Date will be that day’s Specified Price per troy ounce of Gold on the Exchange, stated in U.S. Dollars, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Handling Cost**” means, subject to adjustment in accordance with Commodity Certificate Condition 2, an amount, as determined by the Calculation Agent on a daily basis, equal to:

- (a) Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

The Handling Cost may be a negative number.

“**Hedging Arrangement**” means any hedging arrangements entered into by the Issuer and/or its Affiliates at any time with respect to the Certificates, including without limitation the purchase and/or sale of any Commodity and any associated foreign exchange transactions.

“**Hedging Disruption Event**” means, (i) any event in connection with which the Issuer or any of its Affiliates is (or would be) unable, after using commercially reasonable efforts to hold, acquire or dispose of any Commodity or to enter into, maintain, re-establish or unwind any Hedging Arrangement; (ii) any event in connection with which the Issuer or any of its Affiliate is (or would be) unable, after using commercially reasonable efforts to realise, recover or remit the proceeds of any Commodity and/or Hedging Arrangement; and/or (iii) any other event specified as such in the applicable Final Terms.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, and if such day is not a Scheduled Trading Day, means the first succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Commodity and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**LBMA**” means the London Bullion Market Association or its successor.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Commodity Certificates or Short Commodity Certificates.

“**Long Commodity Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**LPPM**” means the London Platinum and Palladium Market in London on which members quote prices for the buying and selling of Platinum and Palladium.

“**Market Disruption Event**” means the occurrence, with respect to the Commodity, of (i) a Price Source Disruption, a Trading Disruption, a Disappearance of Commodity Reference Price, a Tax Disruption, a Material Change in Content or a Material Change in Formula, an Early Closure, De Minimis Trading or a Moratorium if so specified in the Final Terms or (ii) a Change in Law or (iii) a Hedging Disruption Event.

“**Material Change in Content**” means the occurrence since the Issue Date of a material change in the content, composition or constitution of the Commodity or relevant Futures Contract.

“**Material Change in Formula**” means the occurrence since the Issue Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

“**MMBTU**” means one million British thermal units.

“**Moratorium**” means a general moratorium is declared in respect of banking activities in the county in which the Exchange or Related Exchange is located.

“**Natural Gas**” means natural gas.

“**Natural Gas-NYMEX**” means that the price for a Pricing Date will be that day’s Specified Price per MMBTU of Natural Gas on the Exchange of the Futures Contract for the Delivery Date, stated in U.S. Dollars, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Nearby Month**”, when preceded by a numerical adjective, means, in respect of a Delivery Date and/or Pricing Date or Valuation Date, as applicable, the month of expiration of the Futures Contract

identified by that numerical adjective, so that: (i) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that date; (ii) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following that date; and, for example, (iii) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following that date.

“**NYMEX**” means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

“**Oil (Brent)**” means Brent blend crude oil.

“**Oil (WTI)**” means West Texas Intermediate light sweet crude oil.

“**Oil-Brent-ICE**” means that the price for a Pricing Date will be that day’s Specified Price per barrel of Oil (Brent) on the Exchange of the Futures Contract for the Delivery Date, stated in U.S. Dollars, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**OIL-WTI-NYMEX**” means that the price for a Pricing Date will be that day’s Specified Price per barrel of Oil (WTI) on the Exchange of the Futures Contract for the Delivery Date, stated in U.S. Dollars, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Commodity Certificates or Short Commodity Certificates.

“**Palladium**” means palladium ingots or plate or unallocated palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

“**Palladium-Spot**” means that the price for a Pricing Date will be that day’s Specified Price per troy ounce gross of Palladium on the Exchange, stated in U.S. Dollars, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Platinum**” means ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

“**Platinum-Spot**” means that the price for a Pricing Date will be that day’s Specified Price per troy ounce gross of Platinum on the Exchange, stated in U.S. Dollars, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Prevailing Rate**” means the rate, as determined by the Calculation Agent in its sole and absolute discretion, for deposits in the Financing Level Currency (i) in the case of Open Ended Certificates, with a maturity of one month or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion or (ii) in the case of Best Certificates or Limited Certificates, with a period equal to the tenor of the Certificates or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion.

“**Price Source**” means, in respect of the Commodity, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the applicable Final Terms.

“**Price Source Disruption**” means, in respect of the Commodity, (A) the failure of the relevant Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price of the Commodity) for the relevant Commodity Reference Price; or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

“**Pricing Date**” means each Scheduled Trading Day (including each Valuation Date).

“**Related Exchange**” means an options or futures exchange or quotation system on which options contracts or futures or other derivatives contracts on the Commodity are traded.

“**Relevant Commodity Price**” means, in respect of the Commodity, the price determined on any day for the specified Commodity Reference Price.

“**Relevant Number of Scheduled Trading Days**” means five Scheduled Trading Days.

“**Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent or (c) the Commodity Business Day or Bullion Business Day, as applicable, following any Rollover Date if such Rollover Date falls during the scheduled month for delivery of the Futures Contract, at the determination of the Calculation Agent.

“**Rice**” means deliverable grade rough rice.

“**Rice-CBOT**” means that the price for a Pricing Date will be that day’s Specified Price per hundredweight of Rice on the Exchange of the Futures Contract, stated in U.S. cents, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Rollover Date**” means the date specified as such in the applicable Final Terms.

“**Rollover Spread**” means the fair value spread calculated as the price determined by the Issuer for liquidating its related hedging arrangements for the Futures Contract minus the price determined by the Issuer for establishing its related hedging arrangements for the Substitute Futures Contract during the substitution of the Futures Contract for the Substitute Futures Contract by reference to liquidity in the Futures Contract and the Substitute Futures Contract. The Rollover Spread may be a negative number.

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

“**Scheduled Trading Day**” means (a) if the Commodity Reference Price is a price announced or published by an Exchange, any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions; or (b) if the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or but for the occurrence of a Market Disruption Event, would have published) a price for the relevant Commodity..

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Short Commodity Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Silver**” means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

“**Silver-Spot**” means that the price for a Pricing Date will be that day’s Specified Price per troy ounce of Silver on the Exchange, stated in U.S. cents, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Soybeans**” means deliverable grade soybeans.

“**Soybeans-CBOT**” means that the price for a Pricing Date will be that day’s Specified Price per bushel of Soybeans on Exchange of the Futures Contract, stated in U.S. cents, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Specified Price**” means, in respect of a Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source): (A) the high price; (B) the low price; (C) the average of the high price and the low price; (D) the closing price; (E) the opening price; (F) the bid price; (G) the asked price; (H) the average of the bid price and the asked price; (I) the settlement price; (J) the official settlement price; (K) the official price; (L) the morning fixing; (M) the afternoon fixing; (N) the spot price; or (O) any other price specified in the Final Terms.

“**Stop Loss Event**” occurs if, subject to any adjustment in accordance with Commodity Certificate Condition 2, (1) in the case of a Long Commodity Certificate, the bid low price of the Commodity Reference Price quoted on the relevant Price Source at any given time on any Pricing Date, from and including the Trade Date, other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, is less than or equal to the Stop Loss Price; or (2) in the case of a Short Commodity Certificate, the ask high price of the Commodity Reference Price quoted on the relevant Price Source at any given time on any Pricing Date, from and including the Trade Date, other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, is greater than or equal to the Stop Loss Price. If no such price is available, the price will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

- (i) in the case of Best Certificates, the Current Financing Level;
- (ii) in the case of Limited Certificates, the Current Financing Level; and
- (iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Commodity Certificate Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:
 - (1) in the case of a Long Commodity Certificate:
 - (a) the Current Financing Level on the current Stop Loss Reset Date; plus
 - (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.
 - (2) in the case of a Short Commodity Certificate:
 - (a) the Current Financing Level on the current Stop Loss Reset Date; minus
 - (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent or (c) the Commodity Business Day or Bullion Business Day, as applicable, following any Rollover Date if such Rollover Date falls during the scheduled month for delivery of the Futures Contract, at the determination of the Calculation Agent.

“**Stop Loss Termination Date**” means the first Scheduled Trading Day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Commodity Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion to be the fair value price for the Commodity as determined by the Calculation Agent by reference to an unwinding of any hedging position, whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner.

(1) in the case of a Long Commodity Certificate the Stop Loss Termination Reference Price will be at most the lowest price of the Commodity on the Stop Loss Termination Valuation Date; or

(2) in the case of a Short Commodity Certificate the Stop Loss Termination Reference Price will be at most the highest price of the Commodity on the Stop Loss Termination Valuation Date.

“**Stop Loss Termination Valuation Date**” means the Stop Loss Termination Date or if the Stop Loss Event occurs at the Valuation Time on the Stop Loss Termination Date, the following Scheduled Trading Day.

“**Stop Loss Termination Valuation Period**” means a reasonable period following the Stop Loss Event, as determined by the Calculation Agent in its sole and absolute discretion, which period shall be determined by the liquidity in the underlying market and shall not be greater than 2 days (and excluding for this purpose any period during which a Market Disruption Event is continuing).

“**Sugar**” means deliverable grade cane sugar.

“**Sugar-ICE**” means that the price for a Pricing Date will be that day’s Specified Price per pound of Sugar on the Exchange of the Futures Contract, stated in U.S. cents, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

“**Tax Disruption**” means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to the Commodity or Futures Contract (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price from what it would have been without that imposition, change or removal.

“**Termination Reference Price**” means an amount equal to (1) in the case of a Long Commodity Certificate, the bid-price of the Commodity Reference Price quoted on the relevant Price Source at the Valuation Time on the Issuer Call Date or (2) in the case of a Short Commodity Certificate, the ask-price of the Commodity Reference Price quoted on the relevant Price Source at the Valuation Time on the Issuer Call Date, both as determined by or on behalf of the Calculation Agent.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Trading Disruption**” means, in respect of the Commodity, the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or such Commodity on the relevant Exchange.

“**Trading Hours**” means as regards each Exchange its regular scheduled opening hours on each Scheduled Trading Day.

“**Valuation Date**” means the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Day shall be deemed to be the Valuation Date notwithstanding the

fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Commodity and such other factors as the Calculation Agent determines to be relevant.

“**Valuation Time**” means the time specified as such in the applicable Final Terms, or such other time as the Issuer may determine in its absolute discretion and notify to Certificateholders in accordance with General Certificate Condition 8.

“**Wheat**” means deliverable grade wheat.

“**Wheat-CBOT**” means that the price for a Pricing Date will be that day’s Specified Price per bushel of Wheat on the Exchange of the Futures Contract, stated in U.S. cents, given at any time on that Pricing Date, as made public by the Exchange and displayed on the Price Source on that Pricing Date.

2 Adjustments

(A) *Market Disruption Events*

If the Calculation Agent determines that a Market Disruption Event has occurred, the Issuer, at its discretion, may (i) make any adjustment or adjustments to the Exercise Cash Settlement Amount, the Issuer Call Cash Settlement Amount, the Stop Loss Cash Settlement Amount and/or any other relevant term of the Certificates (including the amount of interest payable, if any) as it deems necessary to account for any Market Disruption Event if it considers it appropriate to do so and/or (ii) redeem each Certificate at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Market Disruption Event, less, unless specified otherwise in the Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any Hedging Arrangement. The Issuer shall give notice to the holders of the Certificates of any such adjustment and/or any redemption of the Certificates hereunder in accordance with General Certificate Condition 8.

(B) *Corrections*

If the Calculation Agent determines in respect of any Relevant Commodity Price, that the price published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Certificates is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days (or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent has the right, but not the obligation, to determine, in its sole and absolute discretion, the amount (if any) that is payable following that correction, and, whether any adjustment to the terms and conditions of the Certificates is required to account for such correction. If the Calculation Agent determines that an adjustment to the terms and conditions is required, the Issuer may as soon as reasonably practicable adjust the terms and conditions of the Certificates to account for such correction.

(C) *Currency*

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the terms and conditions of the Certificates (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary. The Issuer shall give

notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

(D) Change in Currency

If, at any time after the Issue Date, there is any change in the currency in which the Commodity is quoted, listed and/or dealt on the relevant Price Source and/or Exchange, then the Issuer will adjust such of the terms and conditions of the Certificates as the Calculation Agent determines appropriate to preserve the economic terms of the Certificates. The Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Certificates.

PRODUCT CONDITIONS RELATING TO FUND CERTIFICATES

The terms and conditions applicable to Certificates issued by the Issuer linked to a fund shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “Fund Certificate Conditions”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Fund Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which, for the avoidance of doubt, shall be “Long” Certificates.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”),

(C) Limited Certificates

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**Current Financing Level**” means, subject to adjustment in accordance with Fund Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formula:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Funding Cost; and minus
- (c) if applicable, Notional Dividend Amounts.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Fund or hedging the Certificates with futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Fund Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Fund Certificate Condition 2. The percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**Disrupted Day**” means, in respect of the Fund, any Business Day on which a Market Disruption Event has occurred.

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Fund Certificate Condition 2.

“**Exchange Rate**” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“**Exercise**” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“**Exercise Date**” means, subject to a Stop Loss Event, the third Business Day preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“**Exercise Time**” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due following Exercise, an Issuer Call or Stop Loss Event or otherwise in respect of such Certificate.

“**Final Reference Price**” means an amount equal to the Reference Asset Price for the Valuation Date as determined by or on behalf of the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such level or price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the Reference Asset Price for such date having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines relevant.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Fund**” means the entity, collective investment scheme, fund, trust, partnership or similar arrangement or undertaking specified as such in the applicable Final Terms.

“**Fund Interest**” means a unit, share, partnership interest, or other similar direct interest in a Fund that entitles the holder of such interest to a share in the net assets of that Fund, as specified as such in the applicable Final Terms.

“**Fund Manager**” means (a) the person specified as such in the applicable Final Terms or (b) any other person responsible from time to time for notifying the holders of Fund Interests of the relevant net asset value of the Fund or Fund Interests.

“**Fund Rules**” means, with respect to a Fund, the terms of the bye-laws and other associated documentation relating to such Fund and any other rules or regulations relating to such Fund and the relevant Fund Interests (including any prospectus in respect of such) existing on the Issue Date, including its investment guidelines and restrictions.

“**Funding Cost**” means, subject to adjustment in accordance with Fund Certificate Condition 2, an amount, as determined by the Calculation Agent, equal to:

- (a) Prevailing Rate plus Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

“**Hedge Counterparty**” means any party to a contract with the Issuer or any of its Affiliates under which the Issuer obtains a derivative exposure to Fund Interests and includes hedge counterparties of such hedge counterparties.

“**Investing Entity**” means the Issuer, any Affiliate of the Issuer or any Hedge Counterparty that holds, redeems or subscribes for Fund Interests and references in the Fund Certificate Conditions to an Investing Entity are to any such entity acting in that capacity.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, and if such day is not a Scheduled Trading Day, means the first succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which, for the avoidance of doubt, shall be “Long” Certificates.

“**Market Disruption Event**” means, in respect of a Business Day, the occurrence or continuation, as determined by the Calculation Agent, of:

- (a) a failure or postponement that is, in the determination of the Calculation Agent, material by the Fund and/or a Fund Manager to publish the Reference Asset Price in respect of that Business Day (provided that such Business Day is a day for which such official net asset value is scheduled to be published); or
- (b) the inability of a holder of Fund Interests to subscribe for, or redeem, Fund Interests for value on that Business Day (provided that such Business Day is a day for which subscriptions or redemptions are scheduled to be permissible (in accordance with the Fund Rules)); or
- (c) a postponement or failure of a Fund to make any payment in respect of the redemption of Fund Interests on any day for which such payment is scheduled to be made (in accordance with the Fund Rules); or
- (d) the failure of trading to commence, or the permanent discontinuation of trading, of the Fund; or
- (e) the material limitation imposed on trading in the Fund with respect to it or any contract with respect to it on any principal trading market; or
- (f) any other event similar to any of the above which could make it impracticable or impossible for the Calculation Agent to perform its obligations in relation to the Certificates.

“**Notional Dividend Amount**” means, if “Notional Dividend Amount” is applied by the Fund Manager, an amount, if any, as determined by the Calculation Agent, equal to (i) the sum of the cash dividends and/or other cash distributions in respect of the Fund which have an ex-dividend date occurring during the Notional Dividend Period net of applicable withholding taxes without regard to any tax credits, or (ii) the market implied dividend during the Notional Dividend Period, less any Expenses.

“**Notional Dividend Period**” means, unless otherwise specified in the applicable Final Terms, each period from (but excluding) the Trade Date to (and including) the earlier of the next following Reset Date, Issuer Call Date, Stop Loss Termination Date or the Valuation Date and thereafter from (but excluding) the Reset Date to (and including) the earlier of the next following Reset Date, the Issuer Call Date, Stop Loss Termination Date or the Valuation Date.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which, for the avoidance of doubt, shall be “Long” Certificates.

“**Prevailing Rate**” means the rate, as determined by the Calculation Agent in its sole and absolute discretion, for deposits in the Financing Level Currency (i) in the case of Open Ended Certificates, with a maturity of one month or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion or (ii) in the case of Best Certificates or Limited Certificates, with a period equal to the tenor of the Certificates or any other shorter period, as selected by the Calculation Agent in its sole and absolute discretion.

“**Reference Asset Price**” means, (i) if specified as NAV in the applicable Final Terms, the net asset value of the Fund as quoted by the Fund Manager for any Scheduled Trading Day, and (ii) if specified as Trading Price in the applicable Final Terms, the trading price of the Fund as quoted by the Fund Manager for any Scheduled Trading Day.

“**Relevant Number of Scheduled Trading Days**” means five Scheduled Trading Days.

“**Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day, as determined by the Calculation Agent.

“**Scheduled Trading Day**” means any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which subscription or redemption of Fund Interests takes place (without

giving effect to any gating, deferral, suspension or other similar provision to delay or refuse a duly completed and timely submitted request to redeem Fund Interests on such day).

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Stop Loss Event**” occurs if the Reference Asset Price (which shall be deemed to be a monetary value in the Financing Level Currency) for any Scheduled Trading Day, from and including the Trade Date, and other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, is less than or equal to the Stop Loss Price. If no such price or level is available, the price or level will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

(i) in the case of Best Certificates, the Current Financing Level;

(ii) in the case of Limited Certificates, the Current Financing Level; and

(iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Fund Certificate Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:

(a) the Current Financing Level on the current Stop Loss Reset Date; plus

(b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent.

“**Stop Loss Termination Date**” means the first Scheduled Trading Day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Fund Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion on the Stop Loss Termination Valuation Date, equal to the share-weighted average of the Reference Asset Prices at which the hedging position in Fund Interests was redeemed during the Stop Loss Valuation Period.

“**Stop Loss Termination Valuation Date**” means the day the Reference Asset Price is made available for the last Scheduled Trading Day during the Stop Loss Termination Valuation Period.

“**Stop Loss Termination Valuation Period**” means a reasonable period following the Stop Loss Event, as determined by the Calculation Agent in its sole and absolute discretion, which period shall be determined by the number of Scheduled Trading Days taken to redeem the Fund Interests according to the redemption procedure relating to Fund Interests as set out in the constitutive documents for such Fund (and excluding for this purpose any period during which a Market Disruption Event is continuing). The Issuer shall submit a duly completed request to redeem Fund Interests as soon as practicable following the occurrence of

the Stop Loss Event and for the avoidance of doubt, such submissions may occur on the Business Day following such Stop Loss Event if the Stop Loss Event occurs less than 3 hours prior to the cut-off time the fund manager, Affiliate, agent, or intermediary platform through which the Issuer may contract (via a trading agreement or other ancillary document) is available to receive requests to subscribe and/or redeem Fund Interests.

“**Termination Reference Price**” means, unless otherwise specified in the applicable Final Terms, an amount equal to the Reference Asset Price for the Issuer Call Date as determined by or on behalf of the Calculation Agent without regard to any subsequently published correction (if, in the determination of the Calculation Agent, no such level or price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the Reference Asset Price for such date having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines relevant.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Valuation Date**” means the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines to be relevant.

2 Adjustments

(A) *Market Disruption Event*

The Issuer shall, as soon as reasonably practicable under the circumstances notify the Certificateholders in accordance with General Certificate Condition 8 if the Calculation Agent determines that a Market Disruption Event has occurred. The Issuer may make adjustments to the terms and conditions of the Certificates in order to account for any Market Disruption Event if it considers it appropriate to do so. The Issuer shall give notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

(B) *Fund Adjustment Event*

Following a Fund Adjustment Event, the Calculation Agent will determine the effect of such Fund Adjustment Event, and shall as soon as reasonably practicable under the circumstances notify the Issuer of such occurrence and adjustment the Calculation Agent will make to the Fund and/or the Final Reference Price and/or the Termination Reference Price and/or the Stop Loss Termination Reference Price or any other terms of the product as the Calculation Agent sees fit. Such adjustment may include but is not limited to the postponement of the calculation of the Final Reference Price, Termination Reference Price or the Stop Loss Termination Reference Price or the exclusion or replacement of the Fund to account for such event and determine the effective date of that adjustment.

“Fund Adjustment Event” means:

- (i) *Audit Event*: the making of any reservation in an audit report of a Fund by the auditor of that Fund that is, in the determination of the Calculation Agent, material;
- (ii) *Charging Change*: the increase of, or introduction by a Fund of (a) a bid/offer spread or (b) charges for subscription or redemption orders made by an Investing Entity, for Fund Interests in addition to any such spread or charge specified in the Fund Rules as applicable on the Issue Date;
- (iii) *Corporate Event*: a declaration by or on behalf of a Fund of:
 - (a) a subdivision, consolidation, reclassification or distribution of the relevant Fund Interests which has a diluting or concentrative effect on the theoretical value of such Fund Interests;
 - (b) a (1) dividend (including cash, and whether ordinary or extraordinary), (2) distribution or (3) issue of the relevant Fund Interests, capital, securities, rights or other assets or interests to existing holders of the relevant Fund Interests that has or is likely to have an effect on the value of such Fund Interest; or
 - (c) a call by a Fund in respect of the relevant Fund Interests that are not fully paid;
- (iv) *Cross-contamination*: any cross-contamination or other failure by a Fund to effectively segregate assets between the different classes of Fund Interests and different classes, series or compartments of that Fund;
- (v) *Currency Change*: the currency in which (a) Fund Interests are denominated or (b) the net asset value of a Fund is calculated, is no longer the currency specified in the Fund Rules; “Distribution In-kind” means a redemption of Fund Interests in the form of a distribution of non-cash assets;
- (vi) *Dealing Restriction*: any dealing restrictions (and/or amendments to relevant documentation) related to a Fund and/or transactions by its relevant fund manager, Affiliate, agent or intermediary platform through which the Calculation Agent may contract (via a trading agreement or other ancillary document) in order to carry out such transactions;
- (vii) *Fund Accounting Event*: any changes in the accounting principles or policies applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;
- (viii) *Fund Bankruptcy*: the Fund is liquidated, dissolved or otherwise ceases to exist or it or its fund manager is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law or the Fund is subject to any fraud;
- (ix) *Fund Constitution Breach*: any failure to observe any of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Calculation Agent, material;
- (x) *Fund Constitution Change*: any modification of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Calculation Agent, material;

- (xi) *Fund License Event*: the withdrawal, suspension, cancellation or modification of any license, consent, permit, authorisation or clearance required for the Fund or its fund manager to carry out their activities as they are or should be carried out in accordance with the constitutive documents for such Fund as of the Issue Date;
- (xii) *Fund Regulatory Event*: any changes in the regulatory treatment applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;
- (xiii) *Fund Rules Breach*: any failure of the Fund Manager of a Fund to comply with any terms set out in the Fund Rules of that Fund;
- (xiv) *Fund Strategy Breach*: any failure to observe any of the investment objectives, policies or strategy of a Fund that is, in the determination of the Calculation Agent, material;
- (xv) *Fund Strategy Change*: any modification of the investment objectives, policies or strategy of a Fund that is, in the determination of the Calculation Agent, material;
- (xvi) *Fund Tax Event*: any changes in the tax treatment applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;
- (xvii) *Hedging Event*: the Issuer is unable, or would incur an increased cost (compared with that on the Issue Date), to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of, in such size and upon such timing as it determines appropriate, any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Certificates, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) upon such timing and in such form as it determines appropriate, whether or not in accordance with the Fund Rules;
- (xviii) *Investor Tax Event*: any changes in the regulatory, tax, accounting and/or any other treatment applicable to the holder of Fund Interests, which could have an economic or legal or regulatory impact for such holder;
- (xix) *Litigation Event*: the commencement or continuation of litigation involving a Fund, Fund Manager or other service provider of that Fund that is, in the determination of the Calculation Agent, material;
- (xx) *Management Change*: the occurrence of any event or the making of any changes affecting the structure of a Fund, its management, its material service providers, its reputation or solvency and/or the structure of, or rights attaching to, any shares in the capital of a Fund, which, in the reasonable opinion of the Calculation Agent is likely to have a significant impact on the value of the Fund Interests of such Fund, whether immediately or later;
- (xxi) *Mandatory Disposal*: any event or circumstance (whether or not imposed by the Fund, or in accordance with the Fund Rules) that obliges the holder of Fund Interests to sell or otherwise dispose of such Fund Interests;
- (xxii) *Market Event*: any crisis in the major financial markets such that the holding, trading or managing of an investment in a Fund is impracticable, inadvisable or materially altered.

- (xxiii) *NAV Suspension*: suspension of the calculation or publication of the net asset value of a Fund, or failure by its Fund Manager, its administrator or any relevant entity duly appointed in that respect to deliver when due any relevant report detailing the net asset value of that Fund;
- (xxiv) *Performance Failure*: any failure of the Fund Manager, administrator and/or the custodian (and/or other relevant service provider, as determined by the Calculation Agent) of a Fund to perform any of its material obligations under the Fund Rules or the liquidation, termination of appointment or resignation of the Fund Manager, administrator, custodian and/or a relevant service provider of such Fund;
- (xxv) *Potential Regulatory Event*: an investigation into the activities of a Fund, its Fund Manager, its custodian and/or its administrator being launched, or such activities being placed under review, in each case by their respective regulatory authorities or other competent body, for reason of alleged wrong-doing, alleged breach of any rule or regulation, or other similar reason;
- (xxvi) *Redemption Failure*: a holder of Fund Interests would be unable to receive redemption payments in respect of such Fund Interests;
- (xxvii) *Regulatory Event*: the winding-up, the closure or the termination of a Fund or the cancellation of the approval or registration of a Fund or its Fund Manager (or any successor thereto) by any relevant regulatory authority;
- (xxviii) *Subscription/Redemption Alteration*: any subscription or redemption orders with respect to Fund Interests are not executed as described in the Fund Rules for that Fund;
- (xxix) *Subscription/Redemption Restriction*: any suspension of, or any restriction on, the acceptance of subscriptions or redemptions for Fund Interests or any limitation imposed on such subscription or redemptions (whether or not in accordance with the Fund Rules); or
- (xxx) *Transfer Restriction*: suspension of, or any restriction on, the ability of a holder of Fund Interests to transfer any such Fund Interests, other than in accordance with the Fund Rules; or
- (xxxi) *Other Event*: any other event, whether similar or not to any of the above: (A) which could make it impracticable or impossible for the Calculation Agent to perform its obligations in relation to the Certificates and/or hedge its obligations hereunder or unwind a hedge of its obligations hereunder and/or carry out any and all transactions in respect of the Fund for the purpose of the Certificates; (B) where the Calculation Agent is unable to acquire or dispose of shares of a Fund; (C) where there is any default in payment(s) for any amounts owing to the Calculation Agent for the redemption of shares of a Fund by the fund manager or any party responsible for making payments in respect of redemption.

PRODUCT CONDITIONS RELATING TO GOVERNMENT BOND CERTIFICATES

The terms and conditions applicable to Certificates issued by the Issuer linked to a government bond shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “Government Bond Certificate Conditions”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Government Bond Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Government Bond Certificates or Short Government Bond Certificates.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(1) in the case of a Best Certificate which is a Long Government Bond Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Best Certificate which is a Short Government Bond Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(1) in the case of an Open Ended Certificate which is a Long Government Bond Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of an Open Ended Certificate which is a Short Government Bond Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Current Financing Level – Stop Loss Termination Reference Price) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”);

(C) Limited Certificates

(1) in the case of a Limited Certificate which is a Long Government Bond Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Limited Certificate which is a Short Government Bond Certificate:

- (a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

- (b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**Current Financing Level**” means, subject to adjustment in accordance with Government Bond Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formulae:

(1) in the case of a Long Government Bond Certificate:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Handling Cost; minus
- (c) if such determination is to be made on a Rollover Date, the corresponding Rollover Spread.

(2) in the case of a Short Government Bond Certificate:

- (a) the Current Financing Level on the previous Reset Date; minus
- (b) Handling Cost; minus
- (c) if such determination is to be made on a Rollover Date, the corresponding Rollover Spread.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset

Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Reference Asset or hedging the Certificates with futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Government Bond Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Government Bond Certificate Condition 2. The percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**De Minimis Trading**” means the number of contracts traded on the Exchange with respect to the Reference Asset is such that the Issuer declares that its ability to enter into hedging transactions with respect to the Reference Asset has been impaired due to a lack of, or a material reduction in, trading in the Reference Asset on the Exchange.

“**Disappearance of Reference Asset Price**” means, in respect of the Reference Asset, the permanent discontinuation of trading in the Reference Asset on the relevant Exchange.

“**Disrupted Day**” means, in respect of the Reference Asset, any Scheduled Trading Day on which a Market Disruption Event has occurred.

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

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Government Bond Certificate Condition 2.

“**Exchange**” means the exchange or quotation system specified as such in the applicable Final Terms or any successor to such exchange or quotation system.

“**Exchange Business Day**” means, in respect of the Reference Asset, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

“**Exchange Rate**” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“**Exercise**” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“**Exercise Date**” means, subject to a Stop Loss Event, the third Business Day preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“**Exercise Time**” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due following Exercise, an Issuer Call or Stop Loss Event or otherwise in respect of such Certificate.

“**Final Reference Price**” means an amount (which shall be deemed to be a monetary value in the Financing Level Currency) equal to the closing Reference Asset Price on the Exchange at the Valuation Time, adjusted for any reasonable market-making spreads, on the Valuation Date as determined by the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the closing Reference Asset Price on such date having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines relevant.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Governmental Authority**” means any de facto or de jure government (or agency or instrumentality thereof, court, tribunal, administrative or other governmental authority) or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the country to which the Reference Asset is in fact referenced.

“**Governmental Authority Default**” means, with respect to any security or indebtedness for borrowed money of, or guaranteed by, any Governmental Authority, the occurrence of a default, event of default or other similar condition or event (howsoever described) including, but not limited to, (i) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness for borrowed money or guarantee, (ii) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of such security, indebtedness for borrowed money or guarantee or (iii) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of any such security, indebtedness for money borrowed or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for money borrowed or guarantee.

“**Handling Cost**” means, subject to adjustment in accordance with Government Bond Certificate Condition 2, an amount, as determined by the Calculation Agent on a daily basis, equal to:

- (a) Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

The Handling Cost may be a negative number.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, and if such day is not a Scheduled Trading Day, means the first succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Reference Asset and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Government Bond Certificates or Short Government Bond Certificates.

“**Long Government Bond Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Market Disruption Event**” means the occurrence, with respect to the Reference Asset, of a Price Source Disruption, a Trading Disruption, a Disappearance of Reference Asset Price, a Tax Disruption, a Material Change in Content or a Material Change in Formula, an Early Closure, a Governmental Authority Default, Nationalisation, De Minimis Trading or a Moratorium if so specified in the Final Terms.

“**Material Change in Content**” means the occurrence since the Issue Date of a material change in the content or composition of the Reference Asset.

“**Material Change in Formula**” means the occurrence since the Issue Date of a material change in the basis for (including but not limited to the quantity, quality or currency), or method of, calculating the Reference Asset Price.

“**Moratorium**” means a general moratorium is declared in respect of banking activities in the county in which the Exchange or Related Exchange is located.

“**Nationalisation**” means any expropriation, confiscation, requisition, nationalisation or other action by any Governmental Authority which deprives the Issuer (or any of its Affiliates), of all or substantially all of its assets in the country of the Governmental Authority.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Government Bond Certificates or Short Government Bond Certificates.

“**Price Source Disruption**” means, in respect of the Reference Asset, (A) the failure by the Exchange to announce or publish the Reference Asset Price (or the information necessary for determining such price); or (B) the temporary or permanent discontinuance or unavailability of such price by the Exchange.

“**Reference Asset**” means the Reference Asset as of the Trade Date specified as such in the applicable Final Terms, and thereafter a financially equivalent reference asset (the “**Substitute Asset**”) selected by the Issuer. On the Rollover Date specified in the Final Terms, the Issuer shall make its selection of the Substitute Asset and on such date the Issuer, shall, during Trading Hours, effect substitution of the Reference Asset for the Substitute Asset at the Rollover Spread and thereafter the Substitute Asset shall for all purposes be the Reference Asset.

“**Reference Asset Price**” means the current price of the Reference Asset. For the avoidance of any doubt, this shall not be the futures contract value but the futures contract value divided by the applicable contract factor (the value of 1.0 future’s point) specified on the applicable screen page referred to in the applicable Final Terms, and if no such page reference exists, such other page reference as the Calculation Agent determines.

“**Related Exchange**” means an options or futures exchange or quotation system on which options contracts or futures or other derivatives contracts on the Reference Asset are traded.

“**Relevant Number of Scheduled Trading Days**” means five Scheduled Trading Days.

“**Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent or (c) the Business Day following any Rollover Date if such Rollover Date falls during the scheduled month for delivery of the Reference Asset, at the determination of the Calculation Agent.

“**Rollover Date**” means the date specified as such in the applicable Final Terms.

“**Rollover Spread**” means the fair value spread calculated as the price determined by the Issuer for liquidating its related hedging arrangements for the Reference Asset minus the price determined by the Issuer for establishing its related hedging arrangements for the Substitute Asset during the substitution of the Reference Asset for the Substitute Asset by reference to liquidity in the Reference Asset and the Substitute Asset. The Rollover Spread may be a negative number.

“**Scheduled Trading Day**” means any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Short Government Bond Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Stop Loss Event**” occurs if, subject to any adjustment in accordance with Government Bond Certificate Condition 2, the Reference Asset Price (which shall be deemed to be a monetary value in the Financing Level Currency) on the Exchange on any Scheduled Trading Day, from and including the Trade Date, other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, (1) in the case of a Long Government Bond Certificate, is less than or equal to the Stop Loss Price; or (2) in the case of a Short Government Bond Certificate, is greater than or equal to the Stop Loss Price. If no such price is available, the price will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

- (i) in the case of Best Certificates, the Current Financing Level;

(ii) in the case of Limited Certificates, the Current Financing Level; and

(iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Government Bond Certificate Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:

(1) in the case of a Long Government Bond Certificate:

- (a) the Current Financing Level on the current Stop Loss Reset Date; plus
- (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

(2) in the case of a Short Government Bond Certificate:

- (a) the Current Financing Level on the current Stop Loss Reset Date; minus
- (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) a Business Day as determined by the Calculation Agent or (c) the Business Day following any Rollover Date if such Rollover Date falls during the scheduled month for delivery of the Reference Asset, at the determination of the Calculation Agent.

“**Stop Loss Termination Date**” means the first Scheduled Trading Day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Government Bond Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion to be the fair value price for the Reference Asset as determined by the Calculation Agent by reference to an unwinding of any hedging position, whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner.

(1) in the case of a Long Government Bond Certificate the Stop Loss Termination Reference Price will be at most the lowest level of the Reference Asset Price on the Stop Loss Termination Valuation Date; or

(2) in the case of a Short Government Bond Certificate the Stop Loss Termination Reference Price will be at most the highest level of the Reference Asset Price on the Stop Loss Termination Valuation Date.

“**Stop Loss Termination Valuation Date**” means the last Scheduled Trading Day during the Stop Loss Termination Valuation Period.

“**Stop Loss Termination Valuation Period**” means a reasonable period following the Stop Loss Event, as determined by the Calculation Agent in its sole and absolute discretion, which period shall be determined by the liquidity in the underlying market and shall not be greater than 2 days (and excluding for this purpose any period during which a Market Disruption Event is continuing).

“**Tax Disruption**” means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to the Reference Asset (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or

removal is to raise or lower the Reference Asset Price from what it would have been without that imposition, change or removal.

“**Termination Reference Price**” means an amount (which shall be deemed to be a monetary value in the Financing Level Currency) equal to the Reference Asset Price on the Exchange at the Valuation Time, adjusted for any reasonable market-making spreads, on the Issuer Call Date as determined by or on behalf of the Calculation Agent.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Trading Disruption**” means, in respect of the Reference Asset, the material suspension of, or the material limitation imposed on, trading in the Reference Asset on the Exchange or Related Exchange.

“**Trading Hours**” means as regards each Exchange its regular scheduled opening hours on each Scheduled Trading Day.

“**Valuation Date**” means the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines to be relevant.

“**Valuation Time**” means the close of trading on the Exchange, or such other time as the Issuer may determine in its absolute discretion and notify to Certificateholders in accordance with General Certificate Condition 8.

2 Adjustments

(A) *Market Disruption Event*

The Issuer shall, as soon as reasonably practicable under the circumstances notify the Certificateholders in accordance with General Certificate Condition 8 if the Calculation Agent determines that a Market Disruption Event has occurred. The Issuer may make adjustments to the terms and conditions of the Certificates in order to account for any Market Disruption Event if it considers it appropriate to do so. The Issuer shall give notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

(B) *Corrections*

If the Calculation Agent determines in respect of any Reference Asset Price, that the price published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Certificates is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days (or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent has the right, but not the obligation, to determine, in its sole and absolute discretion, the amount (if any) that is payable following that correction, and, whether any adjustment to the terms and conditions of the Certificates is required to account for such correction. If the Calculation Agent

determines that an adjustment to the terms and conditions is required, the Issuer may as soon as reasonably practicable adjust the terms and conditions of the Certificates to account for such correction.

(C) Currency

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the terms and conditions of the Certificates (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary. The Issuer shall give notice to the holders of the Certificates of any such adjustment in accordance with General Certificate Condition 8.

(D) Change in Currency

If, at any time after the Issue Date, there is any change in the currency in which the Reference Asset is quoted, listed and/or dealt on the relevant Price Source and/or Exchange, then the Issuer will adjust such of the terms and conditions of the Certificates as the Calculation Agent determines appropriate to preserve the economic terms of the Certificates. The Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Certificates.

PRODUCT CONDITIONS RELATING TO INDEX FUTURES CERTIFICATES

The terms and conditions applicable to Certificates issued by the Issuer linked to an index futures contract shall comprise the General Certificate Conditions and the additional terms and conditions set out below (the “Index Futures Certificate Conditions”), which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between (i) the General Certificate Conditions and/or the Index Futures Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail

1 Definitions

For the purposes of these terms and conditions, the following definitions will apply:

“**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.

“**Best Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Index Futures Certificates or Short Index Futures Certificates.

“**Business Day**” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) specified in the applicable Final Terms and Euroclear Netherlands is open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open for the settlement of payments in euro.

“**Calculation Period**” means the number of calendar days from (but excluding) a Reset Date to (and including) the next following Reset Date.

“**Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in accordance with the following provisions:

(A) Best Certificates

(1) in the case of a Best Certificate which is a Long Index Futures Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Best Certificate which is a Short Index Futures Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(B) Open Ended Certificates

(1) in the case of an Open Ended Certificate which is a Long Index Futures Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Stop Loss Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of an Open Ended Certificate which is a Short Index Futures Certificate:

(a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

(c) Following a Stop Loss Event:

(Current Financing Level – Stop Loss Termination Reference Price) x Entitlement, less Expenses (the “**Stop Loss Cash Settlement Amount**”),

(C) Limited Certificates

(1) in the case of a Limited Certificate which is a Long Index Futures Certificate:

(a) Upon Exercise:

(Final Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

(b) Upon an Issuer Call:

(Termination Reference Price – Current Financing Level) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”).

(2) in the case of a Limited Certificate which is a Short Index Futures Certificate:

- (a) Upon Exercise:

(Current Financing Level – Final Reference Price) x Entitlement, less Expenses (the “**Exercise Cash Settlement Amount**”); or

- (b) Upon an Issuer Call:

(Current Financing Level – Termination Reference Price) x Entitlement, less Expenses (the “**Issuer Call Cash Settlement Amount**”); or

- (c) Following a Stop Loss Event:

The Cash Settlement Amount shall be zero (the “**Stop Loss Cash Settlement Amount**”),

provided that the Cash Settlement Amount shall not be less than zero. The Cash Settlement Amount shall (where applicable) be converted into the Settlement Currency at the prevailing Exchange Rate and rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer or any of its Affiliates, to (i) hold, acquire or dispose of any Reference Asset or to enter into transactions on or relating to any Reference Asset or (ii) perform its obligations under the Certificates; or

(Y) the Issuer or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of any Reference Asset, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**Current Financing Level**” means, subject to adjustment in accordance with Index Futures Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent, on each day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Financing Level Currency, in accordance with the following formula:

- (a) the Current Financing Level on the previous Reset Date; plus
- (b) Handling Cost; and minus
- (c) if such determination is to be made on a Rollover Date, the corresponding Rollover Spread.

The Current Financing Level on the Trade Date is the level specified as such in the applicable Final Terms.

“**Current Spread**” means the rate (expressed as a percentage rate per annum) as determined by the Calculation Agent having regard to the Financing Level Currency, prevailing market conditions and such other factors as the Calculation Agent determines to be relevant. The Current Spread may be reset on a Reset Date, subject to the “**Maximum Spread**” (as specified in the applicable Final Terms) per annum (save that if, in the sole discretion of the Calculation Agent, at any time the market rate for borrowing the Reference Asset or hedging the Certificates with futures materially exceeds such market rate as of the Trade Date, the Current Spread and/or Maximum Spread may be increased to reflect this change). The Current Spread on the Trade Date is the spread specified as such in the applicable Final Terms.

“**Current Stop Loss Premium**” means an amount in the Financing Level Currency, as determined by the Calculation Agent on each Reset Date, in its sole and absolute discretion, and subject to adjustment in accordance with Index Futures Certificate Condition 2, having regard to the current market conditions (including, without limitation, market volatility). The Current Stop Loss Premium shall not be less than the “**Minimum Premium**” nor greater than the “**Maximum Premium**” (both as specified in the applicable Final Terms) of the Current Financing Level, subject to adjustment in accordance with Index Futures Certificate Condition 2. The percentage used for calculating the Current Stop Loss Premium (the “**Current Stop Loss Premium Rate**”) on the Trade Date is the rate specified as such in the applicable Final Terms.

“**De Minimis Trading**” means the number of contracts traded on the Exchange with respect to the Reference Asset is such that the Issuer declares that its ability to enter into hedging transactions with respect to the Reference Asset has been impaired due to a lack of, or a material reduction in, trading in the Reference Asset on the Exchange.

“**Disrupted Day**” means, in respect of the Reference Asset, any Scheduled Trading Day on which a Market Disruption Event has occurred.

“**Disappearance of Reference Asset Reference Price**” means, in respect of the Reference Asset, the permanent discontinuation of trading in the relevant Reference Asset,.

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

“**Entitlement**” means the number specified as such in the applicable Final Terms, subject to any adjustment in accordance with Index Futures Certificate Condition 2.

“**Exchange**” means the exchange or quotation system specified as such in the Final Terms or any successor to such exchange or quotation system.

“**Exchange Business Day**” means, in respect of the Reference Asset, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

“**Exchange Rate**” means, if the Financing Level Currency is different to the Settlement Currency, the rate of exchange between the Financing Level Currency and the Settlement Currency as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time.

“**Exercise**” means (i) a Certificateholder’s right to exercise the Certificates (in the case of Best Certificates and Open Ended Certificates) or (ii) the automatic exercise of the Certificates following the Final Valuation Date (in the case of Limited Certificates), in accordance with General Certificate Condition 3 and (in the case of Best Certificates and Open Ended Certificates) General Certificate Condition 4.

“**Exercise Date**” means, subject to a Stop Loss Event, the third Business Day preceding the scheduled Valuation Date, as provided in General Certificate Condition 3.

“**Exercise Time**” means the time specified as such in the applicable Final Terms.

“**Expenses**” means all taxes, duties and/or expenses, including all applicable depositary, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising (a) upon Exercise, an Issuer Call or following a Stop Loss Event in connection with such Certificate and/or (b) in connection with any payment or delivery due upon Exercise, an Issuer Call or following a Stop Loss Event or otherwise in respect of such Certificate.

“**Final Reference Price**” means an amount (which shall be deemed to be a monetary value in the Financing Level Currency) equal to the closing Reference Asset Price on the Exchange at the Valuation Time, adjusted for any reasonable market-making spreads, on the Valuation Date as determined by the Calculation Agent without regard to any subsequently published correction, unless the Calculation Agent determines that such published correction can be taken into account for calculating the Cash Settlement Amount, or (if, in the determination of the Calculation Agent, no such price can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the closing Reference Asset Price on such date having regard to the then prevailing market conditions, the last reported Reference Asset Price on the Exchange and such other factors as the Calculation Agent determines relevant.

“**Final Valuation Date**” means the date specified in the applicable Final Terms.

“**Financing Level Currency**” means the currency specified as such in the applicable Final Terms.

“**Handling Cost**” means, subject to adjustment in accordance with Index Futures Certificate Condition 2, an amount, as determined by the Calculation Agent on a daily basis, equal to:

- (a) Current Spread; multiplied by
- (b) the Current Financing Level on the previous Reset Date; multiplied by
- (c) the number of calendar days elapsed in the Calculation Period (including the current day) divided by the default number of days used for calculating the day count fraction for the Financing Level Currency.

The Handling Cost may be a negative number.

“**Hedging Arrangement**” means any hedging arrangements entered into by the Issuer and/or its Affiliates at any time with respect to the Certificates, including without limitation the entry into of any transaction(s) and/or purchase and/or sale of any Reference Asset and any associated foreign exchange transactions.

“**Hedging Disruption**” means that the Issuer and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of any Reference Asset and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of any Reference Asset and/or any Hedging Arrangement and/or (C) any other event specified as such in the applicable Final Terms.

“**Issue Date**” means the date specified as such in the applicable Final Terms.

“**Issuer Call**” means termination of the Certificates by the Issuer in accordance with General Certificate Condition 3.

“**Issuer Call Commencement Date**” means the sixth calendar day following the Issue Date.

“**Issuer Call Date**” means the day specified as such in the notice delivered in accordance with General Certificate Condition 3, and if such day is not a Scheduled Trading Day, means the first succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Issuer Call Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Issuer Call Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Issuer Call Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Termination Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Reference Asset and such other factors as the Calculation Agent determines to be relevant.

“**Issuer Call Notice Period**” means five Business Days.

“**Limited Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Index Futures Certificates or Short Index Futures Certificates.

“**Long Index Futures Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Market Disruption Event**” means the occurrence, with respect to the Reference Asset, of (i) a Price Source Disruption, a Trading Disruption, a Disappearance of Reference Asset Price, a Tax Disruption, a Material Change in Content, a Material Change in Formula, an Early Closure, De Minimis Trading or a Moratorium if so specified in the Final Terms or (ii) a Change in Law or (iii) a Hedging Disruption.

“**Material Change in Content**” means the occurrence since the Issue Date of a material change in the content or composition of the Reference Asset.

“**Material Change in Formula**” means the occurrence since the Issue Date of a material change in the basis for (including but not limited to the quantity, quality or currency), or method of calculating, the relevant Reference Asset Price.

“**Moratorium**” means a general moratorium is declared in respect of banking activities in the county in which the Exchange or Related Exchange is located.

“**Open Ended Certificates**” means Certificates designated as such in the applicable Final Terms which may, for the avoidance of doubt, be either Long Index Futures Certificates or Short Index Futures Certificates.

“**Price Source Disruption**” means, in respect of the Reference Asset, (A) the failure by the Exchange to announce or publish the Reference Asset Price (or the information necessary for determining such price); or (B) the temporary or permanent discontinuance or unavailability of such price by the Exchange.

“**Reference Asset**” means the Reference Asset as of the Trade Date specified as such in the applicable Final Terms, and thereafter the Issuer shall, during Trading Hours on the Rollover Date, effect substitution to (i) the next serially contract month in the cycle or (ii) the most liquid contract month in the cycle, (the “**Substitute Asset**”) selected by the Issuer. Thereafter, the Substitute Asset shall for all purposes be the Reference Asset.

“**Reference Asset Price**” means the current price of the Reference Asset. For the avoidance of any doubt, this shall not be the futures contract value but the futures contract value divided by the applicable contract factor (the value of 1.0 future’s point) specified on the applicable screen page referred to in the applicable Final Terms, and if no such page reference exists, such other page reference as the Calculation Agent determines.

“**Related Exchange**” means, an options or futures exchange or quotation system on which options contracts or futures or other derivatives contracts on the Reference Asset are traded.

“**Relevant Number of Scheduled Trading Days**” means five Scheduled Trading Days.

“**Reset Date**” means the Trade Date and thereafter (a) the first Business Day of each calendar month or (b) if a Rollover Date occurs in such month, the Business Day following such Rollover Date or (c) a Business Day, as determined by the Calculation Agent.

“**Rollover Date**” means the date specified as such in the applicable Final Terms.

“**Rollover Spread**” means the fair value spread calculated as the price determined by the Issuer for liquidating its related hedging arrangements for the Reference Asset minus the price determined by the Issuer for establishing its related hedging arrangements for the Substitute Asset during the substitution of the Reference Asset for the Substitute Asset by reference to liquidity in the Reference Asset and the Substitute Asset. The Rollover Spread may be a negative number.

“**Scheduled Trading Day**” means any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms.

“**Settlement Date**” means (i) in relation to Exercise, the fourth Business Day following the Valuation Date, (ii) in relation to the Issuer Call, the date specified as such in the notice delivered in accordance with General Certificate Condition 3, or (iii) in relation to a Stop Loss Event, the fourth Business Day following the Stop Loss Termination Valuation Date.

“**Short Index Futures Certificate**” means a Certificate designated as such in the applicable Final Terms.

“**Stop Loss Event**” occurs if, subject to any adjustment in accordance with Index Futures Certificate Condition 2, the Reference Asset Price (which shall be deemed to be a monetary value in the Financing Currency Level) on the Exchange on any Scheduled Trading Day, from and including the Trade Date, other than at a time at which there is, in the determination of the Calculation Agent, a Market Disruption Event, (1) in the case of a Long Index Futures Certificate, is less than or equal to the Stop Loss Price; or (2) in the case of a Short Index Futures Certificate, is greater than or equal to the Stop Loss Price. If no such price is available, the price will be determined by the Calculation Agent in its absolute discretion.

“**Stop Loss Price**” means:

(i) in the case of Best Certificates, the Current Financing Level;

(ii) in the case of Limited Certificates, the Current Financing Level; and

(iii) in the case of Open Ended Certificates, an amount calculated on each Stop Loss Reset Date (which shall be deemed to be a monetary value in the Financing Level Currency), subject to adjustment in accordance with Index Futures Certificate Condition 2, determined by the Calculation Agent in its sole and absolute discretion, as:

(1) in the case of a Long Index Futures Certificate:

- (a) the Current Financing Level on the current Stop Loss Reset Date; plus
 - (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.
- (2) in the case of a Short Index Futures Certificate:

- (a) the Current Financing Level on the current Stop Loss Reset Date; minus
- (b) the Current Stop Loss Premium on the current Stop Loss Reset Date.

In the case of Open Ended Certificates, the Stop Loss Price will be rounded in the manner specified in the applicable Final Terms as “**Stop Loss Price Rounding**”. The Stop Loss Price on the Trade Date shall be the amount specified as such in the applicable Final Terms.

“**Stop Loss Reset Date**” means (a) the first Business Day of each calendar month or (b) a Business Day, as determined by the Calculation Agent.

“**Stop Loss Termination Date**” means the first Scheduled Trading Day on which the Stop Loss Event occurs.

“**Stop Loss Termination Reference Price**” means, subject to adjustment in accordance with Index Futures Certificate Condition 2, an amount (which shall be deemed to be a monetary value in the Financing Level Currency) determined by the Calculation Agent in its sole and absolute discretion to be the fair value price for the Reference Asset as determined by the Calculation Agent by reference to an unwinding of any hedging position, whether actual or theoretical, on a best efforts basis and in a commercially reasonable manner.

(1) in the case of a Long Index Futures Certificate the Stop Loss Termination Reference Price will be equal to at least the lowest level of the Reference Asset Price on (i) the Stop Loss Termination Valuation Date or (ii) the following Scheduled Trading Day; or

(2) in the case of a Short Index Futures Certificate the Stop Loss Termination Reference Price will be at most the highest level of the Reference Asset Price on (i) the Stop Loss Termination Valuation Date or (ii) the following Scheduled Trading Day.

“**Stop Loss Termination Valuation Date**” means the last Scheduled Trading Day during the Stop Loss Termination Valuation Period.

“**Stop Loss Termination Valuation Period**” means a reasonable period following the Stop Loss Event, as determined by the Calculation Agent in its sole and absolute discretion, which period shall be determined by the liquidity in the underlying market and shall not be greater than 2 days (and excluding for this purpose any period during which a Market Disruption Event is continuing).

“**Tax Disruption**” means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to the Reference Asset (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Reference Asset Price from what it would have been without that imposition, change or removal.

“**Termination Reference Price**” means an amount (which shall be deemed to be a monetary value in the Financing Level Currency) equal to the Reference Asset Price on the Exchange at the Valuation Time, adjusted for any reasonable market-making spreads, on the Issuer Call Date as determined by or on behalf of the Calculation Agent.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Trading Disruption**” means, in respect of the Reference Asset, any material suspension of, or the material limitation imposed on trading in the Reference Asset by, the Exchange or Related Exchange.

“**Trading Hours**” means as regards each Exchange its regular scheduled opening hours on each Scheduled Trading Day.

“**Valuation Date**” means, the date or dates specified as such in the applicable Final Terms, unless, in the determination of the Calculation Agent, such day is a Disrupted Day. If the Calculation Agent determines that such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Relevant Number of Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) the last day of the Relevant Number of Scheduled Trading Days shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Final Reference Price having regard to the then prevailing market conditions, the last reported Reference Asset Price and such other factors as the Calculation Agent determines to be relevant

“**Valuation Time**” means the time specified as such in the applicable Final Terms, or such other time as the Issuer may determine in its absolute discretion and notify to the Certificateholders in accordance with General Certificate Condition 8.

2 Adjustments, Consequences of Certain Events and Currency

(A) Market Disruption Events

If the Calculation Agent determines that a Market Disruption Event has occurred, the Issuer, at its discretion, may (i) make any adjustment or adjustments to the Exercise Cash Settlement Amount, the Issuer Call Cash Settlement Amount, the Stop Loss Cash Settlement Amount and/or any other relevant term of the Certificates (including the amount of interest payable, if any) as it deems necessary to account for any Market Disruption Event if it considers it appropriate to do so and/or (ii) redeem each Certificate at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Market Disruption Event, less, unless specified otherwise in the Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any Hedging Arrangement. The Issuer shall give notice to the holders of the Certificates of any such adjustment and/or any redemption of the Certificates hereunder in accordance with General Certificate Condition 8.

(B) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the Entitlement and such other terms and conditions of the Certificates as it may deem necessary.

(C) Price Correction

If the Calculation Agent determines in respect of any Reference Asset Price, that the price published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Certificates is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days (or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent has the right, but not the obligation, to determine, in its sole and absolute discretion, the amount (if any) that is payable following that correction, and, whether any adjustment to the terms

and conditions of the Certificates is required to account for such correction. If the Calculation Agent determines that an adjustment to the terms and conditions is required, the Issuer may as soon as reasonably practicable adjust the terms and conditions of the Certificates to account for such correction.

(D) Currency

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the terms and conditions of the Certificates (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Certificates as it deems necessary. The Issuer shall give notice to the Certificateholders of any such adjustment in accordance with General Certificate Condition 8.

(E) Change in Currency

If, at any time after the Issue Date of the Certificates, there is any change in the currency in which the Reference Asset is quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Certificates as the Calculation Agent determines appropriate to preserve the economic terms of the Certificates. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Certificates.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each issue of Certificates issued by the Issuer under the Programme.

Final Terms dated [●]

ING Bank N.V.
Issue of [Aggregate Amount of Tranche]
[Title of Sprinter Certificates / ING Turbo Certificates]
under the
Certificates Programme

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Certificates in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC), as amended from time to time (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 Certificates. Accordingly any person making or intending to make an offer of the Certificates 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 [33] of Part A below, provided such person is one of the persons mentioned in Paragraph [33] of Part A below and that such offer is made during the Offer Period (if any) specified for such purpose therein.

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

[[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Certificates in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC), as amended from time to time (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 Certificates. Accordingly any person making or intending to make an offer in that Relevant Member State of the Certificates 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 Certificates in any other circumstances] ◇◇.]

◇ [Only include if a non-exempt offer of Certificates is anticipated.]

◇◇ [Only include if an exempt offer of Certificates is anticipated.]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the General Certificate Conditions and the relevant Product Conditions contained in the Base Prospectus dated 28 March 2012 [(as supplemented on [●])] [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the “**Prospectus Directive**”)]#.

This document constitutes the Final Terms applicable to the issue of Certificates described herein [for the purposes of Article 5.4 of the Prospectus Directive] # and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus may be obtained from ING Bank N.V. [*Only include in the event of admission to trading on Euronext Paris and/or public offers in France:* and are available for viewing on the website of the French *Autorité des Marchés Financiers* (www.amf-france.org)]. Copies of the Base Prospectus may be obtained from ING Bank N.V. at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands (E-mail: info@sprinters.nl).

#[Only include if Certificates are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the General Certificate Conditions and the relevant Product Conditions contained in the Base Prospectus dated [original date] and incorporated by reference in the Base Prospectus dated [current date]. This document constitutes the Final Terms of the Certificates described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the “**Prospectus Directive**”)]# and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes 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] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [current date] and the Conditions contained in the Base Prospectus dated [original date] which are incorporated by reference in the Base Prospectus dated [current date]. Copies of the Base Prospectuses may be obtained from ING Bank N.V. [*Only include in the event of admission to trading on Euronext Paris and/or public offers in France:* and are available for viewing on the website of the French *Autorité des Marchés Financiers* (www.amf-france.org)]. Written or oral requests for such documents should be directed to ING Bank N.V. at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands (E-mail: info@sprinters.nl).]

Prospective investors should carefully consider the section “Risk Factors” in the Base Prospectus.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When completing any final terms, adding any other final terms or information, 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.]

GENERAL DESCRIPTION OF THE CERTIFICATES

- | | | |
|---|--|---|
| 1 | (a) Series number of the Certificates: | [●] |
| | (b) Whether or not the Certificates are to be consolidated and form a single series with the Certificates of an existing series: | [●]
<i>(If fungible with an existing issue, details of that issue, including the date on which the Certificates became fungible)</i> |
| 2 | (a) The type of Certificate which may be Index | [●] |

Certificates, Share Certificates, Currency Certificates, Commodity Certificates, Fund Certificates, Government Bond Certificates or Index Futures Certificates:

- (b) Whether such Certificates are Best Certificates, Limited Certificates or Open Ended Certificates [Best] [Limited] [Open Ended]
- (c) Whether such Certificates are Long Certificates or Short Certificates: [Long] [Short]
(for Fund Certificates will be Long only)
(Delete as applicable)
- 3 Number of Certificates being issued: [●]
- 4 Issue price per Certificate: [●]
- 5 Trade Date: [●]
- 6 Issue Date: [●]
- 7 “as-if-and-when-issued” trading: [●]
- 8 Current Financing Level on the Trade Date: [●]
- 9 Current Spread on the Trade Date: [●]
- 10 Maximum Spread: [●]
- 11 Current Stop Loss Premium Rate on the Trade Date: [●]*(for Open Ended Certificates only)*
- 12 Maximum Premium: [●]*(for Open Ended Certificates only)*
- 13 Minimum Premium: [●]*(for Open Ended Certificates only)*
- 14 Stop Loss Price on the Trade Date: [●] [The Current Financing Level] *(this option applies only to Best Certificates and Limited Certificates)*
- 15 Stop Loss Price Rounding: [●]*(for Open Ended Certificates only)*
- 16 Entitlement: [●]
- 17 Financing Level Currency: [●]
- 18 Settlement Currency: [●]
- 19 Exercise Time: [●]
- 20 Cash Settlement Amount: As specified in the [Index] [Share] [Currency] [Commodity] [Fund] [Government Bond] [Index Futures] Certificate Conditions
[other – specify]
(Delete as appropriate)
- 21 Final Valuation Date: [●] [Not Applicable] *(for Limited Certificates only)*
- 22 Valuation Date(s): [●] [Final Valuation Date] *(this option applies to Limited Certificates only)*
- 23 Applicable Business Day Centre(s) for the [●]

purposes of the definition of “Business Day”

ADDITIONAL SPECIFIC PRODUCT RELATED PROVISIONS:

24	Index Certificate Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) type of the Index:	[Multi-Exchange Index] [Non Multi-Exchange Index] <i>(Delete as appropriate)</i>
	(ii) details of the Index:	[●] <i>(The details should include the name of the Index and (if composed by the Issuer) a description of the Index or (if not composed by the Issuer) where information about the Index can be obtained)</i>
	(iii) Exchange:	[●] <i>(if a Non Multi-Exchange Index)</i> [As specified in the Index Certificate Conditions] <i>(if a Multi-Exchange Index)</i> <i>(Delete as appropriate)</i>
	(iv) Notional Dividend Period:	[As specified in the Index Certificate Conditions] <i>[other – specify]</i> <i>(Delete as applicable)</i>
25	Share Certificate Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i> <i>(When making any such amendments consideration should be given to as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the base prospectus under Article 16 of the Prospectus Directive)</i>
	(i) Share:	[●]
	(ii) Share Issuer:	[●]
	(iii) Exchange:	[●]/[As specified in the Share Certificate Conditions] <i>(Delete as appropriate)</i>
	(iv) Exchange Traded Fund:	[Applicable/Not Applicable] <i>(If not applicable, delete sub-paragraphs (v) to (viii))</i>
	(v) Underlying Index:	<i>[specify]</i>
	(vi) Multi-Exchange Index:	[Yes]/[No]

	(vii) Non Multi-Exchange Index:	[Yes]/[No]
	(viii) Underlying Index Exchange:	[specify]
	(ix) Notional Dividend Period:	[As specified in the Share Certificate Conditions] [other – specify] (Delete as applicable)
26	Currency Certificate Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
	(i) details of the Underlying FX Rate	[●]
	(ii) Relevant Screen Page:	[●]
	(iii) Termination Reference Price:	[●]
	(iv) Underlying Currency:	[●]
	(v) Valuation Time:	[●]
27	Commodity Certificate Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
	(i) Commodity:	[●]
	(ii) Commodity Reference Price:	[Initially Bloomberg Code [●] and after the first Rollover Date the Bloomberg Page referring to the relevant Futures Contract] / [specify- other]
	(iii) Price Source/Reference Dealers	[●]
	(iv) Specified Price:	[●]
	(v) Delivery Dates:	[(i) First nearby month of expiration or (ii) the month of expiration with the highest volumes, as determined by the Calculation Agent] / [Not Applicable] / [specify – other]
	(vi) Rollover Date:	[A date, as determined by the Calculation Agent, in the period commencing on the previous Rollover Date (or in the case of the first Rollover Date the Issue Date) and ending not less than 5 Commodity Business Days prior to the last trading date of the relevant Futures Contract of the Commodity] [Not Applicable] / [specify – other]
	(vii) Exchange:	[●]
	(viii) Valuation Time:	[●]

28	Fund Certificate Provisions	<p>[Applicable/Not Applicable]</p> <p><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p> <p>(i) Details of the Fund, Fund Interest and the name of the Fund Manager: [●]</p> <p>(ii) Notional Dividend Period: [As specified in the Fund Certificate Conditions] [<i>other – specify</i>]</p> <p><i>(Delete as applicable)</i></p> <p>(iii) Reference Asset Price: [NAV] [Trading Price. Bloomberg [●]]</p>
29	Government Bond Certificate Provisions	<p>[Applicable/Not Applicable]</p> <p><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p> <p>(i) Reference Asset: [[●] Future (initially Bloomberg Code [●] and after the first Rollover Date the Bloomberg Page referring to the Substitute Asset)] / [<i>other – specify</i>]</p> <p>(ii) Rollover Date: [A date, as determined by the Calculation Agent, in the period commencing on the previous Rollover Date (or in the case of the first Rollover Date the Issue Date) and ending not less than 5 Business Days prior to the last trading date of the Reference Asset upon which notice to deliver the Reference Asset may be given in accordance with the rules of the relevant Exchange] / [<i>other – specify</i>]</p> <p>(iii) Exchange: [●]</p> <p>(iv) Valuation Time: [●]</p>
30	Index Futures Certificate Provisions	<p>[Applicable/Not Applicable]</p> <p><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p> <p>(i) Reference Asset : [[●] Future (Initially Bloomberg Code [●] and after the first Rollover Date the Bloomberg Page referring to the relevant Substitute Asset] / [<i>specify- other</i>]</p> <p>(ii) Rollover Date: [A date, as determined by the Calculation Agent, in the period commencing on the previous Rollover Date (or in the case of the first Rollover Date the Issue Date) and ending not less than 5 Business Days prior to the last trading date of the relevant Reference Asset] [Not Applicable] / [<i>specify – other</i>]</p>

(iii) Exchange: [●]

(iv) Valuation Time: [●]

DISTRIBUTION

- 31 Whether the Certificates are to be listed on NYSE Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V., Euronext Paris, or any other stock exchange or whether the Certificates are to be unlisted: [NYSE Euronext in Amsterdam]
[Euronext Paris]
[other – specify]
(Delete as appropriate)
- 32 Details of any clearing system other than Euroclear Netherlands: [Euroclear Netherlands]
[other – specify]
(Delete as appropriate)
- (i) details of the appropriate clearing code/number: [●]
- 33 (i) [Simultaneous offer:] [●]
(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche here)
- (ii) Non-exempt offer:
[Not Applicable] [An offer of Certificates 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 jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] (“Public Offer Jurisdictions”) during the period from [specify date] until [specify date] (“Offer Period”).
- 34 Any other special conditions and any modification to the Terms and Conditions of the Certificates: [●] *(when adding any other special conditions and any modification to the Terms and Conditions of the Certificates consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [Euronext Amsterdam/Euronext Paris/specify relevant regulated market] of the Certificates described herein pursuant to the Certificates Programme of ING Bank N.V.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

By:

Duly authorised

PART B – OTHER INFORMATION

1 LISTING

- (i) Listing: [NYSE Euronext in Amsterdam/Euronext Paris/other (specify)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Certificates to be admitted to trading on [Euronext Amsterdam/Euronext Paris/other (specify)] with effect from [•].]
[Not Applicable.]
[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)]
- (iii) Estimate of total expenses related to admission to trading: [•]

2 RATINGS

- Ratings: [The Certificates to be issued will not be rated]
The Certificates to be issued have been rated:
[Standard & Poor's: [•]]
[Fitch: [•]]
[Moody's: [•]]
[[Other]: [•]]
[Include here a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]
(The above disclosure should reflect the rating allocated to Certificates of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating. In addition, the full legal name of the entity endorsing the applicable rating should be included if the rating is issued other than by Standard & Poor's, Moody's or Fitch.)

3 [NOTIFICATION]

The Netherlands Authority for Financial Markets has provided the competent authorities in each of Belgium and France with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of the Certificates to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing

of the Final Terms with the Netherlands Authority for the Financial Markets unless and until the Issuer advises such action has been taken.]

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

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

“Save as discussed in “Subscription and Sale” of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.”

(If there are any material/ conflicting interests, for example for dealers or distributors, then describe those in this section)

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

- (i) [Reasons for the offer] [•]
(See “Use of Proceeds” wording in Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here.)]
- (ii) Estimated net proceeds [•]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)
- (iii) Estimated total expenses [•] [Include breakdown of expenses]
(It is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)
[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]

6 INFORMATION CONCERNING THE UNDERLYING

[Need to include details of where information on the past and future performance and volatility of the underlying can be obtained, the name of the issuer(s) of the underlying (if relevant) and ISIN/ other identification code of the underlying (if relevant), the name or description of the underlying and where information about the underlying can be obtained, and (unless the Certificates have a denomination of at least €100,000 or can only be acquired for at least €100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

7 POST-ISSUANCE INFORMATION

[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]

8 OPERATIONAL INFORMATION

- (i) ISIN Code: [•]
- (ii) Common Code: [•]
- (iii) [Other relevant code:] [•] [Not Applicable]
- (iv) Name of the Principal Certificate Agent: [ING Bank N.V.]
[BNP Paribas Securities Services]
(Delete as appropriate)

9 TERMS AND CONDITIONS OF THE OFFER *[delete if not applicable]*

- (i) If the amount of the offer is not fixed, description of the arrangements and time for announcing the amount of the offer: [•]
- (ii) Time period, including any possible amendments, during which the offer will be open: [•]
- (iii) Description of the application process: [As set out on page [32]/specify]
- (iv) Minimum and/or maximum amount of application: [As set out on page [32]/specify]
- (v) Method and time limit for paying up the securities and for delivery of the Certificates: [As set out on page [32]/specify]
- (vi) Manner and date on which results of the offer are to be made public: [As set out on page [33]/specify]
- (vii) Process for notification of amount allotted and indication of whether dealing may begin before notification is made: [•]
- (viii) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/specify]

USE OF PROCEEDS

Unless specified otherwise in the applicable Final Terms, the net proceeds from each issue of Certificates will be applied by the Issuer for its general corporate purposes. If in respect of any particular issue there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

TAXATION

DUTCH TAXATION

The following summary does not purport to be a comprehensive description of all Dutch tax considerations that could be relevant for holders of Certificates. This summary is intended as general information only. Each prospective holder should consult a professional tax adviser with respect to the tax consequences of an investment in the Certificates. This summary is based on Dutch tax legislation and published case law in force as of 28 March 2012. It does not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect.

For the purpose of this Dutch taxation section, it is assumed that the Issuer is a resident of The Netherlands for Dutch tax purposes.

Scope

Regardless of whether or not a holder of Certificates is, or is treated as being, a resident of The Netherlands, this summary does not address the Dutch tax consequences for such a holder:

- (i) having a substantial interest (*aanmerkelijk belang*) in the Issuer, within the meaning of chapter 4 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);
- (ii) who is a private individual and may be taxed in box 1 for the purposes of Dutch income tax (*inkomstenbelasting*) as an entrepreneur (*ondernemer*) having an enterprise (*onderneming*) to which the Certificates are attributable, or who may otherwise be taxed in box 1 with respect to benefits derived from the Certificates;
- (iii) which is a corporate entity and a taxpayer for the purposes of Dutch corporate income tax (*vennootschapsbelasting*), having a participation (*deelneming*) in the Issuer within the meaning of article 13 of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);
- (iv) which is a corporate entity and an exempt investment institution (*vrijgestelde beleggingsinstelling*) or investment institution (*beleggingsinstelling*) for the purposes of Dutch corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for tax purposes; or
- (v) which is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of benefits derived from the Certificates.

Furthermore, this summary does not address the Dutch tax consequences where it concerns Certificates that are redeemable in exchange for, or convertible into, shares. The Dutch tax consequences for such holder of the exercise, settlement or redemption of such Certificates and/or any Dutch tax consequences for such holder after the moment of exercise, settlement or redemption are not described in this summary.

Withholding tax

All payments made by the Issuer under the Certificates may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein provided that the Certificates do not in fact function as equity of the Issuer within the meaning of article 10, paragraph 1, letter d, of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Income tax

Resident holders: A holder who is a private individual and a resident, or treated as being a resident of The Netherlands for the purposes of Dutch income tax, must record the Certificates as assets that are held in box 3. Taxable income with regard to the Certificates is then determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return is fixed at a rate of 4% of the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year insofar as the yield basis exceeds a certain threshold. Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Certificates, less the fair market value of certain qualifying liabilities. The fair market value of the Certificates will be included as an asset in the holder's yield basis. The deemed return on income from savings and investments is taxed at a rate of 30%.

Non-resident holders: A holder who is a private individual and neither a resident, nor treated as being a resident of The Netherlands for the purposes of Dutch income tax, will not be subject to such tax in respect of benefits derived from the Certificates.

Corporate income tax

Resident holders or holders having a Dutch permanent establishment: A holder which is a corporate entity and for the purposes of Dutch corporate income tax a resident (or treated as being a resident) of The Netherlands, or a non-resident having (or treated as having) a permanent establishment in The Netherlands, is taxed in respect of benefits derived from the Certificates at rates of up to 25%.

Non-resident holders: A holder which is a corporate entity and for the purposes of Dutch corporate income tax neither a resident, nor treated as being a resident, of The Netherlands, having no permanent establishment in The Netherlands (and is not treated as having such a permanent establishment), will not be subject to such tax in respect of benefits derived from the Certificates.

Gift and inheritance tax

Resident holders: Dutch gift tax or inheritance tax (*schenk- of erfbelasting*) will arise in respect of an acquisition (or deemed acquisition) of Certificates by way of a gift by, or on the death of, a holder of Certificates who is a resident, or treated as being a resident, of The Netherlands for the purposes of Dutch gift and inheritance tax.

Non-resident holders: No Dutch gift tax or inheritance tax will arise in respect of an acquisition (or deemed acquisition) of Certificates by way of a gift by, or on the death of, a holder of Certificates who is neither a resident, nor treated as being a resident, of The Netherlands for the purposes of Dutch gift and inheritance tax.

Other taxes

No Dutch turnover tax (*omzetbelasting*) will arise in respect of any payment in consideration for the acquisition of Certificates, with respect to any cash settlement of Certificates or with respect to the delivery of Certificates. Furthermore, no Dutch registration tax, capital tax, transfer tax or stamp duty (nor any other similar tax or duty) will be payable in connection with the issue or acquisition of the Certificates.

BELGIAN TAXATION

The following summary describes the principal Belgian tax considerations with respect to the holding of the Certificates.

As each Series or Tranche of Certificates may be subject to a different tax treatment due to the specific terms of such Series or Tranche of Certificates as set out in the respective Final Terms, the following section only provides some general information on the possible tax treatment. This summary therefore does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Certificates. In some cases, different rules can be applicable. Furthermore, the tax rules can be amended in the future, possibly implemented with retroactive effect, and the interpretation of the tax rules may change.

This summary is based on Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of 28 March 2012, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

Unless otherwise stated herein, this summary does not describe the tax consequences for a holder of Certificates that are redeemable in exchange for, or convertible into assets, of the exercise, settlement or redemption of such Certificates or any tax consequences after the moment of exercise, settlement or redemption.

Each prospective holder of Certificates should consult a professional adviser with respect to the tax consequences of an investment in the Certificates, taking into account the influence of each regional, local or national law.

1 Belgian withholding tax and income tax treatment

1.1 General

The Belgian tax authorities have not issued any guidance on how to classify investment products such as the Certificates. The Belgian tax regime described below only applies if the Certificates qualify as claim rights for Belgian tax purposes; if not, other rules will apply (e.g., the Belgian withholding tax and the 4% additional tax on investment income will then not apply).

For Belgian tax purposes, interest includes any amount paid by the Issuer in excess of the issuance price of the Certificates (e.g. at the redemption date or at early redemption). If the Certificates qualify as “fixed income securities” (in the meaning of article 2, §1, 8° Belgian Income Tax Code), in the case of a realisation

of the Certificates prior to repurchase or redemption by the issuer, the income equal to the pro rata of accrued interest corresponding to the detention period also qualifies as interest for Belgian tax purposes. In general, Certificates are qualified as “fixed income security” if there is a causal link between the amount of interest income and the detention period of the Certificates, on the basis of which it is possible to calculate the amount of pro rata interest income at the moment of the sale of the Certificates during their lifetime.

1.2 Tax treatment of Belgian resident individuals

Individuals who are Belgian residents for tax purposes, i.e. individuals subject to the Belgian individual income tax (“*Personenbelasting*” / “*Impôt des personnes physiques*”), and who hold the Certificates as a private investment are subject to the following tax treatment in Belgium with respect to the Certificates. Other tax rules apply to Belgian resident individuals holding the Certificates not as a private investment but in the framework of their professional activity or when the transactions with respect to the Certificates fall outside the scope of the normal management of their own private estate.

For resident private investors holding Certificates as a private investment, payments of interest (as defined above) on the Certificates made through a paying agent in Belgium will in principle be subject to a 21% withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes).

Resident private investors who receive qualifying investment income (qualifying interest and qualifying dividends) in an amount exceeding €20,020 (amount for income year 2012) on a yearly basis will be subject to an additional tax on investment income of 4% on the income exceeding €20,020. Certain investment income is not subject to the additional tax on investment income, i.e. dividend income taxed at 25%, liquidation bonuses, the part of interest on regulated savings accounts taxed at 15%, the income from government bonds issued and subscribed between 24 November and 2 December 2011 and income not considered as taxable moveable income (including the exempt part of interest on regulated savings accounts); however, this investment income is in principle first taken into account to determine whether the €20,020 threshold is exceeded, except for liquidation bonuses, the income from the above mentioned Belgian government bonds and income not considered as taxable moveable income (including the exempt part of interest on regulated savings accounts).

Subject to the exception mentioned in the next paragraph, the interest (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return and will be taxed at a flat rate of 21% (any Belgian withholding taxes paid can be offset against this 21% tax), and increased, as the case may be, with the 4% additional tax on investment income. According to the Minister of Finance no communal surcharges will apply to the 21% flat rate tax; the Belgian federal government has announced that the ITC will be amended to this effect as this does not appear from the current text of the Law.

In case of interest payments made through a Belgian paying agent, the latter will be required to communicate the identity of Certificateholder and the amount of the interest to a central contact point, which in turn will automatically communicate such amount and identity to the Belgian income tax authorities if the total amount of investment income communicated with respect to that holder in the relevant year exceeds the abovementioned threshold of €20,020. Such communication to the central contact point can be avoided if the holder of Certificates allows the paying agent to levy the 4% tax in addition to the Belgian withholding tax. In such case, the holder is not required to declare the interest in his/her personal income tax return.

Capital gains realised upon the sale of the Certificates are in principle tax exempt, unless the capital gains are realised outside the scope of the management of one’s private estate or unless the capital gains qualify as interest (as defined above in the section “General”). Capital losses are in principle not tax deductible.

1.3 Tax treatment of Belgian resident corporations

Corporations that are Belgian residents for tax purposes, i.e., corporations subject to Belgian Corporate Income Tax (“*Vennootschapsbelasting*” / “*Impôt des sociétés*”), are subject to the following tax treatment in Belgium with respect to the Certificates.

Interest derived by Belgian corporate investors on the Certificates and capital gains realised on the Certificates will be subject to Belgian corporate income tax at the ordinary rate of 33.99%. Capital losses on the Certificates are in principle tax deductible.

Payments of interest (as defined in the section “General”) on the Certificates made through a paying agent in Belgium will in principle be subject to a 21% withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). However, the interest can under certain circumstances be exempt from withholding tax, provided a special certificate is delivered. The Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

1.4 Tax treatment of Organisations for Financing Pensions

Belgian pension fund entities that have the form of an Organisation for Financing Pensions (“**OFP**”) are subject to Belgian Corporate Income Tax (“*Vennootschapsbelasting*” / “*Impôt des sociétés*”). OFPs are subject to the following tax treatment in Belgium with respect to the Certificates.

Interest derived on the Certificates and capital gains realised on the Certificates will not be subject to Belgian Corporate Income Tax in the hands of OFPs. Any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

1.5 Tax treatment of other Belgian legal entities

Legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities (“*Rechtspersonenbelasting*” / “*impôt des personnes morales*”), are subject to the following tax treatment in Belgium with respect to the Certificates.

Payments of interest (as defined in the section “Tax treatment of Belgian resident individuals”) on the Certificates made through a paying agent in Belgium will in principle be subject to a 21% withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium, i.e. without the intervention of a Belgian paying agent and without deduction of the Belgian withholding tax the legal entity itself required to declare and pay the Belgian 21% withholding tax to the Belgian treasury.

Capital gains realised on the sale of the Certificates are in principle tax exempt, unless the capital gain qualifies as interest (as defined in the section “General”). Capital losses on the Certificates are in principle not tax deductible.

1.6 Tax treatment of Belgian non-residents

The interest income on the Certificates paid to a Belgian non-resident outside of Belgium, i.e. without the intervention of a professional intermediary in Belgium, is not subject to Belgian withholding tax.

Interest income on the Certificates paid through a Belgian professional intermediary will in principle be subject to a 21% Belgian withholding tax, unless the holder is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit.

Non-resident holders that have not allocated the Certificates to business activities in Belgium can also obtain an exemption of Belgian withholding tax on interest if the interest is paid through a Belgian credit institution, a Belgian stock market company or a Belgian clearing or settlement institution and provided that the non-resident (i) is the owner or usufructory of the Certificates, (ii) has not allocated the Certificates to business activities in Belgium and (iii) delivers an affidavit confirming his non-resident status and the fulfilment of conditions (i) and (ii).

Non-resident holders using the Certificates to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident corporations (see above). Non-resident holders who do not allocate the Certificates to a professional activity in Belgium are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax.

2 EU Savings Directive

Under the EU Savings Directive 2003/48/EC (the “**Savings Directive**”) on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident or certain other entities established in that other Member State (hereinafter also referred to as the “**Disclosure of Information Method**”). However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system (hereinafter also referred to as the “**Source Tax**”) in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

Investors should note that the European institutions have proposed changes to the Savings Directive which, if implemented, may amend or broaden the scope of the requirements described above.

2.1 Individuals not resident in Belgium

Interest paid or collected through Belgium on the Certificates and falling under the scope of application of the Savings Directive will be subject to the Disclosure of Information Method.

2.2 Individuals resident in Belgium

An individual resident in Belgium will be subject to the provisions of the Savings Directive, if he receives interest payments from a paying agent (within the meaning of the Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, Curaçao, Bonaire, Saba, Sint-Maarten and Sint-Eustatius (former Netherlands Antilles), Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, the Cayman Islands, Anguilla or the Turks and Caicos Islands.

If the interest received by an individual resident in Belgium has been subject to a Source Tax, such Source Tax does not relieve the Belgian individual from declaring the interest income in the personal income tax declaration. The Source Tax will be credited against the personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excess amount will be reimbursed, provided it amounts to at least €2.50.

3 Stock exchange tax and tax on repurchase transactions

A stock exchange tax will be levied on the purchase and sale in Belgium of the Certificates on a secondary market through a professional intermediary. The rate applicable for secondary sales and purchases

in Belgium through a professional intermediary is 0.09% with a maximum amount of €650 per transaction and per party. A separate tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

A tax on repurchase transactions (“*taxe sur les reports*”) at the rate of 0.085 per cent. subject to a maximum of €650 per party and per transaction, will be due from each party to any such transaction entered into or settled in Belgium in which a professional intermediary for stock transactions acts for either party.

However, the tax on stock exchange transactions and the tax on repurchase transactions referred to above will not be payable by exempt persons acting for their own account, including non-residents (subject to certain formalities) and certain Belgian institutional investors, as defined in Articles 126-1.2 and 139 of the Code of various duties and taxes (“*Code des droits et taxes divers*”).

4 Tax on the physical delivery of bearer securities

A tax of 0.6% is levied upon the physical delivery of bearer securities pursuant to their acquisition on the secondary market through a professional intermediary. The same tax applies to the conversion of registered securities into bearer securities and to the physical delivery of bearer securities pursuant to a withdrawal of these securities from open custody.

The tax on the delivery of bearer securities is due either on the sums payable by the purchaser, or on the sales value of the securities as estimated by the custodian in the case of a withdrawal from open custody or by the person asking for the conversion of the securities in case of conversion of a registered securities in a bearer securities. The tax is payable by the issuer, the professional intermediary or the custodian.

The physical delivery of bearer securities to recognised Belgian professional intermediaries (such as credit institutions), acting for their own account, is exempt from the above tax.

FRENCH TAXATION

This summary is based on tax laws and taxation practice, as in effect and applied as at 28 March 2012 and is intended to provide general information only. Tax laws, taxation practices and their interpretation are constantly under change, which changes may sometimes have a retroactive effect and may change the conclusions set out in this summary.

Stamp duty

The purchase or sale of Certificates is not subject to stamp duty in France.

Income Tax and Withholding tax

Income paid or accrued on Certificates, to the extent such Certificates are not issued through a French branch of an Issuer, is not subject to withholding tax in France.

However, prospective purchasers of Certificates who are French resident for tax purposes or who would hold Certificates through a permanent establishment or a fixed base in France should be aware that transactions involving the Certificates including any purchase or disposal of, or other dealings in the Certificates and any transaction involved in the exercise and settlement of the Certificates, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals) and on the specific terms and conditions of the relevant Certificates. Prospective purchasers of

Certificates should consult their own advisers about the tax implications of holding Certificates and of any transactions involving Certificates.

EU COUNCIL DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

The EU has adopted a Directive regarding the taxation of savings income. The Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual or to certain other persons in another Member State, except that Austria and Luxembourg may instead impose a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise. A number of third countries and territories including Switzerland have adopted similar measures to the EU Directive.

SUBSCRIPTION AND SALE

One or more Dealers may be appointed under the Programme in respect of issues of Certificates by the Issuer, in the future. The Issuer may also issue Certificates directly to purchasers thereof.

General

Save as specifically described in this Base Prospectus, no action has been or will be taken by the Issuer that would permit a public offering of any Certificates or possession or distribution of any offering material in relation to any Certificates in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Certificates, or distribution of any offering material relating to any Certificates, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer.

United States

No Certificates of any series have been, or will be, registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States. No Certificates of any series, or interests therein, may at any time be offered, sold, resold, traded or delivered, directly or indirectly, in the United States of America (including the states and the district of Columbia), its territories, its possessions and other areas subject to its jurisdiction (the “**United States**”) or directly or indirectly offered, sold, resold, traded or delivered to, or for the account or benefit of, any person (“**U.S. person**”) who is (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any other “U.S. person” as such term may be defined in Regulation S under the Securities Act. Any offer, sale, resale, trade or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Any manager (“**Manager**”) of an issue of Certificates will be required to agree that it will not at any time offer, sell, resell, trade or deliver, directly or indirectly, Certificates of such series in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any series must agree with a Manager of such series or the seller of such Certificates that (i) it will not at any time offer, sell, resell, trade or deliver, directly or indirectly, any Certificates of such series so purchased in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, (ii) it is not purchasing any Certificates of such series for the account or benefit of any U.S. person and (iii) it will not make offers, sales, re-sales, trades or deliveries of any Certificates of such series (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person. Each Manager of an issue of Certificates will also be required to agree, and any person purchasing Certificates of such series must agree, to send each person who purchases any Certificates of such series from it a written confirmation (which shall include the definitions of “United States” and “U.S. persons” set forth herein) stating that the Certificates have not been registered under the Securities Act, and stating that, such purchaser agrees that it will not at any time offer, sell, resell, trade or

deliver Certificates, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Instruments to the public in that Relevant Member State:

- (a) if the final terms in relation to the Certificates specify that an offer of those Certificates may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Certificates which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any person or entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers (if any) nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Certificates referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “**an offer of Certificates to the public**” in relation to any Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

France

Each Dealer appointed under the Programme will be required to represent and agree that:

Offer to the public in France:

it has only made and will only make an offer of Certificates issued by the Issuer to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* (“AMF”) of the approval of the Prospectus by the competent authority of a Member State of the European Economic Area, other than the AMF, which has implemented the Prospectus Directive, all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

Private placement in France:

it has not offered or sold and will not offer or sell, directly or indirectly, any Certificates issued by the Issuer to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Certificates issued by the Issuer, and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier.

General information:

The Base Prospectus prepared in connection with the Certificates issued by the Issuer have not been submitted to the clearance procedures of the AMF.

The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant Final Terms specify that this provision does not apply because the standard exemption wording required by Article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) is not applicable, it will not make an offer of Certificates to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined above under “Public Offer Selling Restriction under the Prospectus Directive”) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Certificates shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

United Kingdom

All applicable provisions of the Financial Services and Markets Act 2000 (the “FSMA”) must be complied with in respect to anything done in relation to any Certificates in, from or otherwise involving the United Kingdom. An invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) may only be communicated or caused to be communicated in connection with the issue or sale of any Certificates in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Certificates by the Issuer has been duly authorised by a resolution of the Management Board of the Issuer dated 9 January 2012. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of The Netherlands have been given (a) for the issue of Certificates by the Issuer and (b) for the Issuer to undertake and perform its obligations under the Certificate Agreements and the Certificates.

Documents Available

So long as this Base Prospectus is valid as described in Article 9 of the Prospectus Directive, copies of the following documents will, when published, be available free of charge from the Issuer and from the specified office of the Certificate Agents. Requests for such documents should be directed to the Issuer at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands (Telephone +31 800 2777468).

- (i) the English translation of the Articles of Association of the Issuer;
- (ii) the annual reports of the Issuer (in English) in respect of the financial years ended 31 December 2008, 2009 and 2010, including the auditors' reports in respect of such financial years;
- (iii) the most recently available annual report of the Issuer and its consolidated subsidiaries and the most recently available published interim financial statements of the Issuer (in English);
- (iv) a copy of the Registration Document;
- (v) the Certificate Agreements;
- (vi) a copy of the Base Prospectus;
- (vii) each set of Final Terms relating to a Certificate (save that Final Terms relating to a Certificate for which a prospectus is not required to be published in accordance with the Prospectus Directive will only be available for inspection by a holder of such Certificate and such holder must produce evidence satisfactory to the Issuer or Certificate Agents, as the case may be, as to its holding of Certificates and identity); and
- (viii) any future supplements to this Base Prospectus and any other documents incorporated herein or therein by reference.

Clearing Systems

The Certificates issued by the Issuer may be cleared through Euroclear Netherlands or such additional or alternative clearing and/or settlement system as specified in the relevant Final Terms. The appropriate identification code for each Tranche or series allocated by Euroclear Netherlands will be specified in the relevant Final Terms. If the Certificates issued by the Issuer are to clear through an additional or alternative clearing and/or settlement system, the appropriate information will be specified in the relevant Final Terms.

The address of Euroclear Netherlands is Herengracht 459-469, 1017 BS Amsterdam, The Netherlands.

The EU Credit Rating Agencies Regulation

The Issuer has a senior debt rating from Standard & Poor's, Moody's and Fitch, details of which are contained in the Registration Document. Standard & Poor's, Moody's and Fitch are established in the European Union and are registered under the CRA Regulation.

The European Securities and Market Association (ESMA) is obliged to maintain on its website a list of credit rating agencies registered in accordance with the CRA Regulation. This list must be updated within 5 working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the CRA Regulation.

REGISTERED AND PRINCIPAL OFFICE OF THE ISSUER

ING Bank N.V.
Bijlmerplein 888
1102 MG Amsterdam Zuid-Oost
The Netherlands

ARRANGER

ING Bank N.V.
Bijlmerplein 888
1102 MG Amsterdam Zuid-Oost
The Netherlands

CERTIFICATE AGENT

ING Belgium SA/NV
24 Avenue Marnix
1000 Brussels
Belgium

PRINCIPAL CERTIFICATE AGENTS

ING Bank N.V.
Bijlmerplein 888
1102 MG Amsterdam Zuid-Oost
The Netherlands

BNP Paribas Securities Services
3 rue d' Antin
75002 Paris
France

AMSTERDAM LISTING AGENT

ING Bank N.V.
Bijlmerplein 888
1102 MG Amsterdam
The Netherlands

LEGAL ADVISERS TO THE ISSUER

Linklaters LLP
(as to Dutch and English law matters)
WTC Amsterdam
Zuidplein 180
1077 XV Amsterdam
The Netherlands

INDEPENDENT PUBLIC ACCOUNTANTS

Ernst & Young Accountants LLP
Antonio Vivaldistraat 150
1083 HP Amsterdam
The Netherlands

A13718738